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Report of the Commissioner of the Reichsbank
(December 23, 1929).

Report of the Commissioner of Controlled Revenues
(November 20, 1929).

Report of the Trustee for German Industrial
Debentures (November 15, 1929).



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**REPORT OF THE COMMISSIONER
OF THE REICHSBANK**

(December 23, 1929)

**REPORT OF THE COMMISSIONER
FOR THE GERMAN RAILWAYS**

(December 14, 1929)

**REPORT OF THE COMMISSIONER
OF CONTROLLED REVENUES**

(November 20, 1929)

**REPORT OF THE TRUSTEE
FOR THE GERMAN INDUSTRIAL
DEBENTURES**

(November 15, 1929)

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**REPORT
OF THE COMMISSIONER
OF THE REICHSBANK**

December 23, 1929

BERLIN

REPORT
OF THE COMMISSIONER
OF THE REVENUE

Presented to the House of Representatives
in the year 1880

WASHINGTON

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Report of the Commissioner of the Reichsbank.

(September 1, 1928 to August 31, 1929)

Berlin, December 23, 1929.

The following Report covers the period from September 1, 1928, to August 31, 1929; where this seemed desirable, however, events occurring later than this period have been taken into account up to December 23, 1929.

At the beginning of July, 1929, an interim Report on the period since September 1, 1928, was published. Reference is made generally to this interim Report for further particulars of the period in question.

I. General Council.

There has been no change in the composition of the General Council during the period covered by the present Report.

Annex A contains a list of the members of the General Council and of the Reichsbank-Direktorium.

The General Council met monthly during the period under report, and examined at its meetings the monthly reports of the President and of the Commissioner.

The Commissioner regularly attended the weekly meetings of the Reichsbank-Direktorium with the delegates of the Central Committee.

II. Reichsbank notes.

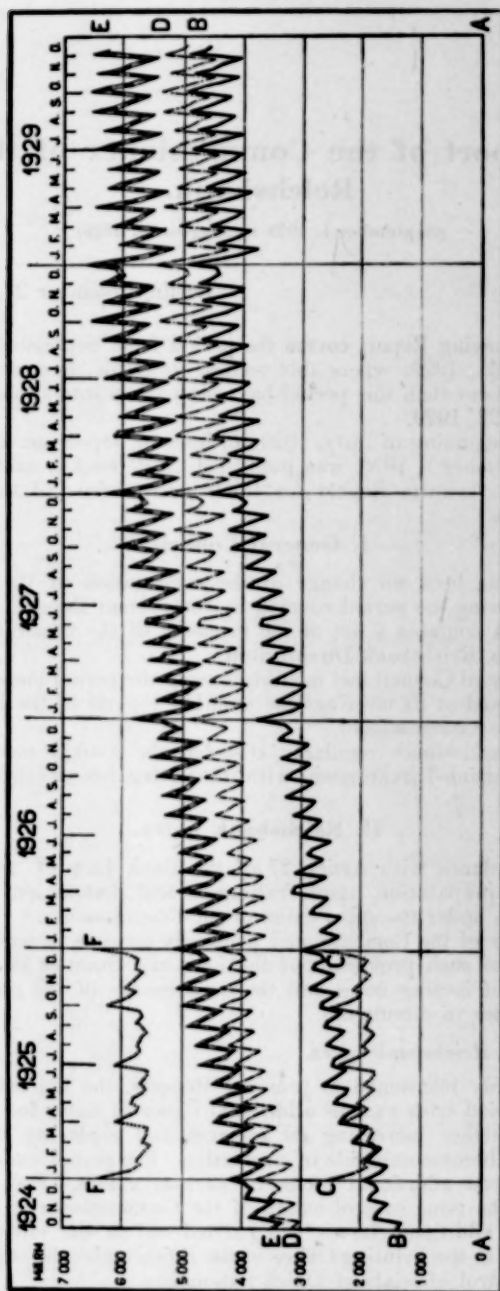
In accordance with Article 27 of the Bank Law of August 30, 1924, the preparation, issue, calling-in and destruction of notes takes place under the supervision of the Commissioner.

The duty of the Commissioner primarily consists in securing the execution of such provisions of the Law und Statutes as apply to the right of issuing notes and the maintenance of the gold cover for the notes in circulation.

a. Issue of Reichsbank notes.

As already mentioned in previous Reports, the Reichsbank has been occupied with various additional issues of notes for the purpose of further increasing its reserves and replacing the notes which had become unusable in circulation. The period under report has also seen additional issues of various values. The work of applying the issue control stamp of the Commissioner to the last-mentioned additional issues was carried out in the same manner as hitherto in the Printing Office of the Reich under the supervision of two control officials of Dutch nationality.

Diagram I.
Means of payment in circulation.



A—F. Total circulation of means of payment 1913. A—E. Total circulation of means of payment 1924/25. A—C. Circulation of Reichsbank notes 1913.
A—B. Circulation of Reichsbank notes 1924/25. B—D. Circulation of Reichsbank notes 1927/28.

The destruction of Reichsbank notes, which have become unusable in circulation, takes place as required under the supervision of the Commissioner. In this connection it has again been found that the control stamp has continued to prove satisfactory in practice.

The circulation of Reichsbank notes has been as follows:

on August 31, 1928	<i>RM</i> 4,673,034,000
on October 31, 1928	" 4,672,013,000
on December 31, 1928	" 4,930,069,000
on February 28, 1929	" 4,553,026,000
on April 30, 1929	" 4,631,496,000
on June 29, 1929	" 4,838,647,000
on August 31, 1929	" 4,897,266,000
on October 31, 1929	" 4,833,005,000
on November 30, 1929	" 4,916,487,000.

Diagram I and Annex B contain more detailed particulars.

The following table covering the period under report is in continuation of the table contained in previous Reports showing the composition of the Reichsbank notes in circulation according to the individual values.

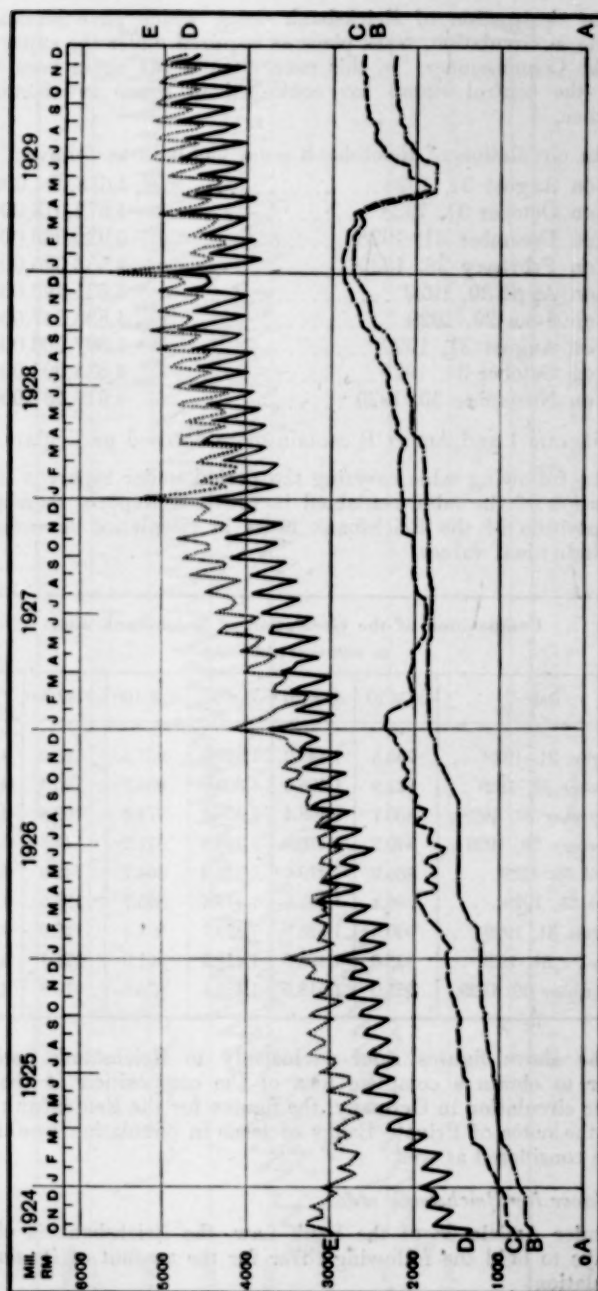
Composition of the circulation of Reichsbank notes (in millions of reichsmarks)						
Date	<i>RM</i> 10	<i>RM</i> 20	<i>RM</i> 50	<i>RM</i> 100	<i>RM</i> 1000	Total
August 31, 1928 ...	793.5	1,488.2	1,326.0	937.4	128.0	4,673.0
October 31, 1928 ..	821.9	1,476.6	1,303.0	934.2	136.4	4,672.0
December 31, 1928.	860.1	1,498.4	1,404.1	974.6	192.8	4,930.0
February 28, 1929 .	840.2	1,410.9	1,286.4	871.2	144.3	4,553.0
April 30, 1929	866.9	1,419.6	1,337.4	864.7	142.9	4,631.5
June 29, 1929	896.4	1,491.5	1,419.4	895.7	135.6	4,838.6
August 31, 1929 ...	940.5	1,523.6	1,439.7	871.4	122.0	4,897.3
October 31, 1929 ..	933.6	1,498.3	1,418.5	861.5	121.1	4,833.0
November 30, 1929.	955.0	1,518.9	1,461.1	870.6	110.8	4,916.5

The above figures refer exclusively to Reichsbank notes. In order to obtain a complete idea of the composition of the total paper circulation in Germany, the figures for the Rentenbank notes and the notes of Private Banks of Issue in circulation would have to be considered as well.

b. Cover for Reichsbank notes.

Under Article 28 of the Bank Law, the Reichsbank is obliged always to hold the following cover for the amount of its notes in circulation:

Diagram II.
Cover for Reichsbank notes.



A—D. Circulation of Reichsbank notes.

C—E. Bills and cheques.

B—C. Devisen available for cover.

A—B. Gold holdings.

1. at least 40 per cent in gold or Devisen (foreign exchange), of which not less than three-quarters must be in gold (Article 28a);
2. for the remaining amount, discounted commercial bills or cheques (Article 28 b).

Gold within the meaning of this provision is bar gold as well as German or foreign gold coins (the pound fine being calculated at *R.M.* 1,392), in so far as such gold is in the possession of the Bank or deposited with a foreign central bank of issue in such a way that it is at all times at the free disposal of the Reichsbank.

Devisen (foreign exchange) are bank notes, or bills of exchange having a currency of not more than 14 days, cheques and day-to-day claims payable in foreign currency at a bank of known solvency in a foreign financial centre. They are to be taken at their current gold value.

Below is a statement of the movements of this cover, which is expressed in the form of a graph in Diagram II; the figures appear as Annex C to the present Report. Their significance will be discussed more in detail in connection with the remarks on the policy of the Reichsbank.

Cover in gold and Devisen.

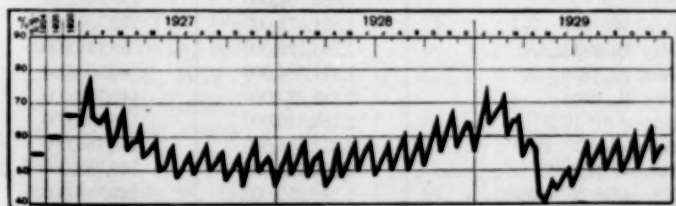
The cover in gold and Devisen available for cover was as follows:

on August 31, 1928	<i>R.M.</i> 2,443,038,000
on October 31, 1928	2,696,072,000
on December 31, 1928	2,884,604,000
on February 28, 1929	2,819,319,000
on April 30, 1929	1,990,947,000
on June 29, 1929	2,271,910,000
on August 31, 1929	2,491,499,000
on October 31, 1929	2,588,083,000
on November 30, 1929	2,637,575,000.

This cover attained its maximum figure since the coming into force of the Bank Law on January 22, 1927, namely 78.5 per cent, and its minimum figure on May 7, 1929, namely 41.0 per cent. During the period under report it has continued to be in excess of the legal minimum of 40 per cent of the notes in circulation.

Diagram III shows the percentual development of this cover; the figures are given in Annex D.

Diagram III.
Percentual cover for Reichsbank notes in gold and Devisen
available for cover.



Gold.

As explained in the last two Reports, there was an almost unbroken increase in the amount of the gold holdings in 1928, and this increase continued for the first few days of the current year. On January 7, 1929, the gold holdings attained their maximum figure viz. *R.M.* 2,729,345,000. Since that date there has been a falling off, of no appreciable extent until the end of February, but amounting to *R.M.* 46.2 millions in March and as much as *R.M.* 791.1 and 127.0 millions in April and May respectively. On June 22, a minimum of *R.M.* 1,764,327,000 was reached, which was *R.M.* 965.0 millions below the maximum of January 7.

Since that date there has been an appreciable return of funds, which swelled the gold holdings of the Reichsbank by as much as *R.M.* 147.1 millions in the last week of June alone. There was a further increase of *R.M.* 236.9 millions in July, and this tendency continued, although to a lesser extent, during the following months; the increases fluctuated between *R.M.* 11.2 and 35.1 millions a month.

The result was that the level of August 31, 1928, was again approximately reached on November 30, 1929. The figure on this date is, however, still inferior by *R.M.* 489 millions to the maximum figure of January 7, 1929.

The gold holdings abroad, which amounted to *R.M.* 85.6 millions at the beginning of the period under report, underwent considerable fluctuations as a result of the movements of gold during the period from the end of February to end of July 1929. They have remained unchanged at *R.M.* 149.8 millions since July 31, 1929.

Date	Total gold holdings <i>R.M.</i>	Gold deposits with foreign Banks of Issue <i>R.M.</i>
August 31, 1928.....	2,248,130,000	85,626,000
October 31, 1928	2,532,815,000	85,626,000
December 31, 1928	2,729,331,000	85,626,000
January 31, 1929	2,729,182,000	85,626,000
February 28, 1929	2,728,933,000	85,626,000
March 28, 1929.....	2,682,702,000	129,748,000
April 30, 1929.....	1,891,575,000	172,708,000
May 31, 1929.....	1,764,529,000	59,147,000
June 29, 1929.....	1,911,384,000	80,095,000
July 31, 1929	2,148,333,000	149,788,000
August 31, 1929	2,183,440,000	149,788,000
September 30, 1929	2,212,044,000	149,788,000
October 31, 1929	2,229,123,000	149,788,000
November 30, 1929	2,240,352,000	149,788,000

The following table shows the monthly increase or decrease in the total gold holdings of the Reichsbank:

Month	Increase or decrease (in millions of reichsmarks)
September 1928	+ 148.8
October 1928	+ 135.8
November 1928	+ 90.7
December 1928	+ 105.8
January 1929	— 0.1
February 1929	— 0.2
March 1929	— 46.2
April 1929	— 791.1
May 1929	— 127.0
June 1929	+ 146.9
July 1929	+ 236.9
August 1929	+ 35.1
September 1929	+ 28.6
October 1929	+ 17.1
November 1929	+ 11.2

As already mentioned in the interim Report for 1929, the decreases in March, April and May 1929, totalling *ℛℳ* 964.3 millions, were almost exclusively due to gold exports abroad. Approximately *ℛℳ* 870 millions worth of gold were sold in the United States of America. •

The increases in the months June to November inclusive were mostly due to various gold imports from abroad. They were distributed principally among the following countries:

Great Britain	about <i>ℛℳ</i> 332 millions,
U. S. A.	” ” 105 ”
Argentine	” ” 38 ”

The Reichsbank has continued to place small amounts of gold at the disposal of industry.

Devisen.

The Devisen shown in the returns amounted:

on August 31, 1928	to <i>ℛℳ</i> 194,908,000
on October 31, 1928	to ” 163,257,000
on December 31, 1928	to ” 155,273,000
on February 28, 1929	to ” 90,386,000
on April 30, 1929	to ” 99,372,000
on June 29, 1929	to ” 360,526,000
on August 31, 1929	to ” 308,059,000
on October 31, 1929	to ” 358,960,000
on November 30, 1929	to ” 397,223,000.

Cover in bills and cheques.

The holdings of the Reichsbank in bills and cheques were as follows :

on August 31, 1928	<i>R.M.</i>	2,603,908,000
on October 31, 1928	"	2,348,280,000
on December 31, 1928	"	2,627,357,000
on February 28, 1929	"	1,876,419,000
on April 30, 1929	"	2,790,227,000
on June 29, 1929	"	2,843,048,000
on August 31, 1929	"	2,634,523,000
on October 31, 1929	"	2,449,983,000
on November 30, 1929	"	2,367,930,000.

The circulation of the Reichsbank notes and the cover held have been regularly subjected to control by the Commissioner.

c. Redemption of Reichsbank notes.

Under Article 31 of the Bank Law, the Reichsbank is obliged to redeem its notes to bearer, at the option of the Bank, in German gold coins, in gold bars or in cheques or orders to pay in foreign currency. According to Article 52, however, the coming into force of this provision requires a combined decision of the Reichsbank-Direktorium and the General Council. This provision has not yet come into force, so that there is as yet no legal liability to redeem the notes.

The policy of the Reichsbank in this matter will be discussed under Section VII, j, below.

d. The old notes of the Reichsbank.

As explained in earlier Reports, the return of the notes issued by the Reichsbank before the coming into force of the Bank Law of August 30, 1924, which became worthless on July 5, 1925, has almost entirely ceased. On November 30, 1929, only the equivalent of *R.M.* 10.4 millions had not yet been returned to the Bank. It may be assumed that a large part of these old notes, for the exchange of which the Reichsbank still offers facilities at its head Office in Berlin, are no longer in existence or will not be presented for exchange because the total of the notes in the hands of individual holders falls below the minimum allowed for exchange, viz. 10 milliard paper marks = 1 reichspfennig.

III. Other media of payment.

Under Article 1 of the Bank Law, the Reichsbank has among other duties that of regulating the circulation of money throughout the Reich.

In addition to the notes issued by the Reichsbank, there are also in circulation in Germany the notes issued by the Rentenbank, the notes of the four Private Banks of Issue, and coins.

Diagram I shows, side by side with the circulation of Reichsbank notes, that of the other instruments of payment for the period from

October 15, 1924 (first weekly statement of the Reichsbank under the Bank Law of August 30, 1924) to December 14, 1929. The figures on which the diagram is based are given in Annex B to the present Report.

The movement of the total instruments of payment in circulation during the period under report is shown in the following table.

Date	Reichs- bank notes	Renten- bank notes	Notes of Private Banks of Issue	Total amount of notes in circulation	Coins	Total
	(in millions of reichsmarks)					
1928						
August 31 ...	4,673.0	570.1	186.6	5,429.7	909.3	6,339.0
October 31 ..	4,672.0	542.7	188.6	5,403.3	940.1	6,343.4
December 31.	4,930.1	529.9	187.3	5,647.3	967.4	6,614.7
1929						
February 28 .	4,553.0	508.2	183.5	5,244.7	953.1	6,197.8
April 30	4,631.5	489.1	185.1	5,305.7	950.4	6,256.1
May 31	4,606.4	490.8	177.9	5,275.1	982.6	6,257.7
June 29	4,838.7	460.4	180.5	5,479.6	977.9	6,457.5
July 31	4,725.5	434.1	179.2	5,338.8	970.5	6,309.3
August 31 ...	4,897.3	431.7	181.9	5,510.9	990.1	6,501.0
September 30	4,914.3	432.7	181.1	5,528.1	1,007.7	6,535.8
October 31 ..	4,833.0	407.1	183.3	5,423.4	1,019.8	6,443.2
November 30.	4,916.5	394.1	182.6	5,493.2	1,022.3	6,515.5

The percentual ratio of the various media of payment to the total amount in circulation was :

Date	Reichs- bank notes	Renten- bank notes	Notes of Private Banks of Issue	Total amount of notes in circulation	Coins	Total
	%	%	%	%	%	%
1928						
August 31	73.72	8.99	2.94	85.65	14.35	100.00
October 31	73.65	8.56	2.97	85.18	14.82	100.00
December 31 ..	74.53	8.01	2.83	85.37	14.63	100.00
1929						
February 28 ...	73.46	8.20	2.96	84.62	15.38	100.00
April 30	74.03	7.82	2.96	84.81	15.19	100.00
May 31	73.61	7.85	2.84	84.30	15.70	100.00
June 29	74.93	7.13	2.80	84.86	15.14	100.00
July 31	74.90	6.88	2.84	84.62	15.38	100.00
August 31	75.33	6.64	2.80	84.77	15.23	100.00
September 30..	75.19	6.62	2.77	84.58	15.42	100.00
October 31	75.01	6.32	2.84	84.17	15.83	100.00
November 30 ...	75.46	6.05	2.80	84.31	15.69	100.00

a. Rentenbank notes.

The founding, activities and liquidation of the Deutsche Rentenbank have been discussed in detail in earlier Reports.

Under Article 5 of the Law for the Liquidation of Rentenbank notes in Circulation, the total amount of Rentenbank notes in circulation has to be liquidated by the Reichsbank in not more than ten years.

Under Article 6 of the same Law, a special sinking fund is to be formed for the purpose at the Reichsbank and under its administration; the fund is to be supplied from the following sources:

- a) interest payments by the owners of landed property mortgaged in favour of the Rentenbank;
- b) contributions of the Reich to the amount of *ℛℳ* 60 millions per annum;
- c) share of the Reich in the profits of the Reichsbank.

The Rentenbank notes paid into sinking fund have to be destroyed by the Reichsbank. In so far as the above-mentioned payments are made in reichsmarks, the Reichsbank has to withdraw a corresponding amount of Rentenbank notes from circulation and to destroy them.

Up to November 30, 1929, the Reichsbank had received *ℛℳ* 1,599.8 millions in all for redemption, as against *ℛℳ* 1,569.7 millions on August 31, 1929, and *ℛℳ* 1,431.4 millions on August 31, 1928; the payments were composed as follows:

	August 31, 1928	August 31, 1929	November 30, 1929
	(in millions of <i>ℛℳ</i>)		
Under Article 7 a of the Liquidation Law (interest payments by the owners of land mortgaged in favour of the Rentenbank)	248.5	321.6	336.7
Under Article 7 b of the Liquidation Law (contribution of the Reich amounting to <i>ℛℳ</i> 60 millions per annum)	225.0	285.0	300.0
Under Article 7 c of the Liquidation Law (share of the Reich in the profits of the Reichsbank) ¹	77.5	82.8	82.8
Under Article 11 of the Liquidation Law ("economic credits" granted by the Rentenbank and paid back in full by November 30, 1927)	880.3	880.3	880.3
Total	1,431.4	1,569.7	1,599.8

¹ In the business years 1924/28 this share amounted to *ℛℳ* 55.6, *ℛℳ* 122, *ℛℳ* 42, *ℛℳ* 5.5, and *ℛℳ* 5.2 millions respectively.

During the period under report the circulation of Rentenbank notes (since January 1928 exclusive of the amount under earmark

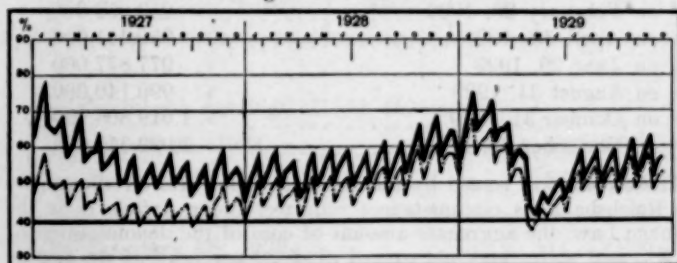
at the Reichsbank totalling *RM* 70.1 millions, to which reference was made in detail in the Report for the year 1927-1928) has been as follows:

on August 31, 1928	<i>RM</i> 570,074,000
on October 31, 1928	» 542,667,000
on December 31, 1928	» 529,856,000
on February 28, 1929	» 508,167,000
on April 30, 1929	» 489,115,000
on June 29, 1929	» 460,387,000
on August 31, 1929	» 431,696,000
on October 31, 1929	» 407,050,000
on November 30, 1929	» 394,123,000.

The debt of the Reich to the Rentenbank was reduced from *RM* 719.0 millions on August 31, 1928, to *RM* 580.8 millions on August 31, 1929, and to *RM* 550.6 millions on November 30, 1929.

Although the Reichsbank is under no obligation to keep cover for the Rentenbank notes, it is of interest (in view of the fact that the notes of the latter bank circulate side by side with the Reichsbank notes without there being any gold or Devisen cover provided for them) to examine the relation of the gold and Devisen cover of the Reichsbank to the total of both means of payment. Diagram IV therefore contains the percentages of cover for the Reichsbank and Rentenbank notes together in addition to the percentages of cover for the Reichsbank notes alone.

Diagram IV.
Percentual cover in gold and Devisen available for cover.



— Cover of Reichsbank notes.
- - - Cover of Reichsbank + Rentenbank notes.

Since the completion in 1927 of the liquidation of the "economic credits" granted by the Rentenbank, the task of the latter has consisted entirely (apart from the administration of its capital) in co-operating with the Reichsbank in the continued liquidation of the Rentenbank notes put into circulation in connection with the loan to the Reich.

b. Notes of the Private Banks of Issue.

The note circulation of the Private Banks of Issue (the Bayerische Notenbank, the Württembergische Notenbank, the Sächsische Bank and the Badische Bank), the maximum figure for which was

fixed by the Bank Law of August 30, 1924, at a total of *ℛℳ* 194 millions, was:

on August 31, 1928	<i>ℛℳ</i> 186,613,000
on October 31, 1928	" 188,617,000
on December 31, 1928	" 187,312,000
on February 28, 1929	" 183,511,000
on April 30, 1929	" 185,087,000
on June 29, 1929	" 180,527,000
on August 31, 1929	" 181,943,000
on October 31, 1929	" 183,342,000
on November 30, 1929	" 182,585,000.

On November 30, 1929, the total note cover of the Private Banks of Issue amounted to *ℛℳ* 65.9 millions in gold and *ℛℳ* 28.1 millions in Devisen available for cover.

c. Coins.

The new gold coins of *ℛℳ* 10 and *ℛℳ* 20, for which provision was made in Article 2 of the Coinage Law of August 30, 1924, have not yet been minted. There are no longer any considerable amounts in circulation of the gold coins coined under former laws (which are still legal tender under Article 4 of the new Coinage Law).

The following coin was in circulation:

on August 31, 1928	<i>ℛℳ</i> 909,284,000
on October 31, 1928	" 940,057,000
on December 31, 1928	" 967,441,000
on February 28, 1929	" 953,052,000
on April 30, 1929	" 950,441,000
on June 29, 1929	" 977,877,000
on August 31, 1929	" 990,140,000
on October 31, 1929	" 1,019,805,000
on November 30, 1929	" 1,022,347,000.

These coins are issued by the Reich and put into circulation by the Reichsbank as circumstances require. Under Article 8 of the Coinage Law, the aggregate amount of coin of the denomination of *ℛℳ* 5 and under may not exceed *ℛℳ* 20 per head of the population. At the end of November 1929, the circulation of coin, including *ℛℳ* 14.2 millions in Rentenbank notes of *ℛℳ* 5, amounted to about *ℛℳ* 16.32 per head of the population as against approximately 12.50 marks per head in 1914.

The exchange of the aluminium-bronze 50 pfennig coins for nickel coins of the same value, with which a commencement was made during the latter part of 1927, is now sufficiently far advanced to allow of the former type of coin being withdrawn from circulation. In accordance with the Decree of October 5, 1929, the aluminium-bronze coins are no longer legal tender as from December 1, 1929. They may, however, be accepted in payment or in exchange at their nominal value until November 30, 1931, at the various offices of the Reich and States.

The changes in the composition of the coin in circulation are shown in the following table:

Circulation of coins (in millions of reichsmarks)			
	August 31, 1928	August 31, 1929	November 30, 1929
Silver coins			
of <i>RM</i> 5	180.9	266.8	275.4
» » 3	148.1	151.2	151.8
» » 2	184.4	172.5	170.9
» » 1	248.0	241.0	266.7
Pfennig coins			
of <i>Apf</i> 50 { nickel	33.7	48.7	53.4
{ aluminium-bronze....	29.4	18.4	10.2
» » 10 aluminium-bronze	55.1	58.9	60.2
» » 5 » »	23.6	25.6	26.2
» » 2 copper	2.9	3.4	3.6
» » 1 »	3.2	3.6	3.9
Total....	909.3	990.1	1,022.3

The Reichsbank holdings of coin amounted:

on August 31, 1928	to <i>RM</i> 90,746,000
on October 31, 1928	to » 86,508,000
on December 31, 1928	to » 81,766,000
on February 28, 1929	to » 114,352,000
on April 30, 1929	to » 134,503,000
on June 29, 1929	to » 115,862,000
on August 31, 1929	to » 115,946,000
on October 31, 1929	to » 98,136,000
on November 30, 1929	to » 94,931,000.

IV. Payments effected otherwise than in cash.

When considering the total circulation, the very important payments effected otherwise than in cash must not be left out of account. Reference may be made to the annual Report for 1926-27, which contains some information on the point, and in particular on the part played by the Reichsbank in this connection.

The figures given in earlier Reports are supplemented below.

Turnover (credit and debit entries) of the Giro and clearing systems of the Reichsbank and the Postal cheque service (in millions of reichsmarks)			
	Giro business of the Reichsbank	Total clearing business of the Reichsbank	Postal cheque business
I. Annual totals			
1924.....	465,470	36,725	78,503
1925.....	472,379	63,063	110,835
1926.....	539,424	83,448	114,810
1927.....	628,793	104,615	136,052
1928.....	694,726	121,006	145,813
II. Monthly totals			
September 1928.....	54,783	9,420	11,441
October 1928.....	63,603	10,984	13,453
November 1928.....	57,543	10,037	12,565
December 1928.....	60,830	10,551	12,628
January 1929.....	64,100	11,825	13,178
February 1929.....	55,918	9,781	10,906
March 1929.....	58,868	10,107	11,630
April 1929.....	71,833	12,146	13,029
May 1929.....	65,950	10,769	12,476
June 1929.....	58,084	10,146	12,078
July 1929.....	70,896	11,479	13,646
August 1929.....	61,801	9,930	12,659
September 1929.....	58,247	9,686	11,849
October 1929.....	66,220	11,149	13,678
November 1929.....	58,704	9,646	12,739

The international Giro system was further developed during the period under report. The National Bank of Bulgaria in Sofia joined the system on November 1, 1929, and was followed by the National Bank of Rumania, Bucharest, on December 2, 1929. The following countries (in alphabetical order) now participate: Austria, Belgium, Bulgaria, Czecho-Slovakia, Danzig, Denmark, Esthonia, Finland, France, Great Britain, Hungary, Ireland, Latvia, Lithuania, the Netherlands, Norway, Rumania, Russia, Sweden, Switzerland, and the United States of America.

V. Relation of the Reichsbank to the Reich.

During the period under report the Reichsbank continued to function as paying agent for the service of the 7 per cent German External Loan 1924.

Since February 1928, the Reichsbank, acting for the Finance Ministry of the Reich, has offered for sale Treasury bills of the Reich. These bills were placed in part on the open market and taken over in part by public institutions.

Treasury bills of the Reich (in millions of reichsmarks)				
End of month	Total circulation		Proportion of total circulation on open market	
	Total amount	Increase (+) or decrease (—) as compared with previous month	Total amount	Increase (+) or decrease (—) as compared with previous month
February, 1928.....	32.5	+ 32.5	7.5	+ 7.5
March, 1928.....	40.0	+ 7.5	15.0	+ 7.5
April, 1928.....	57.7	+ 17.7	32.7	+ 17.7
May, 1928.....	164.7	+ 107.0	54.7	+ 22.0
June, 1928.....	217.2	+ 52.5	102.1	+ 47.4
July, 1928.....	224.5	+ 7.3	109.4	+ 7.3
August, 1928.....	229.0	+ 4.5	113.9	+ 4.5
September, 1928.....	296.0	+ 67.0	185.9	+ 72.0
October, 1928.....	341.0	+ 45.0	230.8	+ 44.9
November, 1928.....	366.7	+ 25.7	316.5	+ 85.7
December, 1928.....	391.6	+ 24.9	256.5	— 60.0
January, 1929.....	400.0	+ 8.4	334.9	+ 78.4
February, 1929.....	366.7	— 33.3	331.6	— 3.3
March, 1929.....	382.5	+ 15.8	347.4	+ 15.8
April, 1929.....	376.5	— 6.0	341.4	— 6.0
May, 1929.....	332.2	— 44.3	226.0	— 115.4
June, 1929.....	400.0	+ 67.8	293.8	+ 67.8
July, 1929.....	337.8	— 62.2	241.6	— 52.2
August, 1929.....	355.7	+ 17.9	245.0	+ 3.4
September, 1929.....	400.0	+ 44.3	271.4	+ 26.4
October, 1929.....	376.1	— 23.9	257.4	— 14.0
November, 1929.....	400.0	+ 23.9	286.4	+ 29.0

The bills issued on the open market have a currency of three months, and are negotiated at the private discount rate.

Under the Law of July 8, 1926, amending the Bank Law, Treasury bills issued by the Reich, backed by a further obligee of known solvency in addition to the Reich, may be discounted or admitted as collateral by the Reichsbank for an amount which may not exceed an aggregate total of *RM* 400 millions.

Since the first amount of *RM* 1 million of Treasury bills was discounted by the Reichsbank on April 30, 1928, further amounts have been discounted regularly. Since June 15, 1928, loans have also been granted against Treasury bills as collateral.

The following table shows the figures as from April, 1928.

Treasury bills of the Reich discounted or accepted as collateral by the Reichsbank (in thousands of reichsmarks)			
End of month	Discounted	Accepted as collateral	Total
April, 1928	1,000	—	1,000
May, 1928	—	—	—
June, 1928	1,000	10	1,010
July, 1928	1,750	5,000	6,750
August, 1928	4,500	1	4,501
September, 1928	13,450	3,747	17,197
October, 1928	—	3,584	3,584
November, 1928	57,300	1	57,301
December, 1928	51,090	32,784	83,824
January, 1929	9,000	1	9,001
February, 1929	12,500	14,851	27,351
March, 1929	56,990	1	56,991
April, 1929	136,370	13,867	150,237
May, 1929	144,780	9	144,789
June, 1929	158,170	1	158,171
July, 1929	67,470	2,807	70,277
August, 1929	37,620	5,251	42,871
September, 1929	112,960	739	113,699
October, 1929	92,190	4,319	96,509
November, 1929	41,840	21,181	63,021

Besides Treasury bills of the Reich there were *ℛℳ* 483.7 millions of Treasury certificates of the Reich outstanding at the end of October, placed with various quarters. At the end of November *ℛℳ* 62 millions of Treasury certificates had been taken up by the Agent General for Reparation Payments in addition to *ℛℳ* 25 millions of Treasury bills.

Details in respect of the 7 per cent loan of the German Reich issued in May 1929, when the Reichsbank functioned as leader of a syndicate of banks, have already been given in the interim Report for 1929.

Since then the Reich has taken up no more long-term credits through this consortium. There have however latterly been negotiations as a result of the difficulties in connection with the end of December settlement, for the taking over of Treasury certificates to be completely redeemed within ten months to an aggregate amount of *ℛℳ* 350 millions. These negotiations were concluded on December 21, 1929.

The following announcement was issued as to the result:

"An agreement has been concluded between the Finance Ministry of the Reich and the Reich Loan Consortium with

the Reichsbank at its head, under which the Consortium will take over *ℛℳ* 350 millions nominal of Treasury certificates from the Reich, 50 millions of which are to be repaid at the beginning of each month beginning April 15, 1930, in such a manner that the entire credit will be paid off by October 15, 1930. The repayments are to be effected out of the sinking fund, for the establishment of which provision is made in the Bill before the Reichstag. The passing of the Bill, which binds the Government and the legislature to a precisely fixed scheme for the reduction of the floating debt, is thus a condition precedent to the conclusion of the loan¹⁾. The interest on the issue will be $\frac{1}{2}$ per cent above the discount rate of the Bank, and there will be a commitment fee of $\frac{3}{4}$ per cent. The resale of the certificates (at $7\frac{1}{2}$ per cent p. a.) is restricted to Germany."

On October 26, 1929, the Reich concluded an agreement with the Swedish Match Trust Kreuger & Toll creating a match monopoly in Germany. The Swedish concern has undertaken at the same time to take up a Reich loan of 125,000,000 dollars, to be made available to the Reich in two instalments, the first instalment seven months and the second instalment sixteen months after the monopoly law has been promulgated. The effective rate is 93, and the interest 6 per cent per annum. The loan is for 50 years, and is to be convertible after ten years and amortised as from that date. The issue of the Reich bonds by the Company in question is blocked for three years from the date of payment of the second instalment. As stated in the official communiqué, this arrangement will be submitted to the Reichstag and the Reichsrat within the framework of the general legislative measures covering reform of the Reich finances as soon as a decision has been obtained in respect of the Experts' Plan 1929.

In regard to the working credits which may be granted to the Reich to an amount not exceeding *ℛℳ* 100 millions under Article 25 of the Bank Law, the Reich draws upon these in the form of overdrafts and pays interest at the current Reichsbank rate. During the period under report, the Reich has had recourse to such credits on various occasions, more especially at the end of the months. The amount drawn under these credits was *ℛℳ* 90 millions on June 29, 1929, and *ℛℳ* 81 millions on September 30, 1929. At the end of the other months the amounts drawn have been lower.

VI. Golddiskontbank.

In continuance of the information furnished on the Golddiskontbank in previous Reports, some particulars are here given from the monthly statements of the Bank on the development of business during the period under report.

¹⁾ The Bill was passed by the Reichstag on December 22, 1929.

Date	Bills and cheques	Redis- counted bills	Securities	Liabilities at call	Time liabili- ties
	(in £ 1,000)				
1927					
December 31.....	1,081.8	2,396.9	13,720.0	1,526.8	5,212.9
1928					
April 30.....	314.7	2,218.6	12,759.1	3,426.6	646.1
June 30.....	1,918.0	1,940.2	12,434.3	2,978.8	2,783.5
August 31.....	390.5	2,061.2	12,264.6	2,606.3	611.8
September 29.....	2,085.7	1,830.2	12,022.5	5,151.7	97.9
October 31.....	7,051.8	1,665.9	11,972.6	10,033.8	73.4
November 30.....	2,609.4	2,107.5	11,856.5	5,624.1	—
December 31.....	804.0	2,065.8	11,716.0	3,925.2	—
1929					
January 31.....	3,053.0	1,814.9	11,270.4	4,851.7	244.7
February 28.....	3,139.4	1,898.4	10,612.2	4,259.8	244.7
March 28.....	1,707.8	1,849.2	9,420.5	1,705.9	195.8
April 30.....	4,224.2	1,625.0	8,733.4	3,618.7	97.9
May 31.....	4,716.8	1,296.4	8,568.0	4,051.0	—
June 29.....	3,990.3	835.6	8,588.9	3,326.0	—
July 31.....	5,217.4	887.8	8,442.7	4,249.9	—
August 31.....	4,315.7	853.8	8,442.7	3,453.1	—
September 30.....	4,544.7	727.2	8,393.3	3,726.2	—
October 31.....	4,817.4	1,056.1	8,293.6	3,925.2	—
November 30.....	3,850.5	1,116.5	8,243.6	2,968.6	—

The volume of the liabilities at call and of the time liabilities varies in accordance with the cash position of the public and semi-public departments which deposit funds with the Golddiskontbank. The funds received by the Golddiskontbank are to a large extent passed on to the private discount market.

The recourse to the Bank for export credits has been still further reduced during the period under report.

No recourse was had during the period under report to the foreign commitment credit at the disposal of the Golddiskontbank, or indeed to any foreign credits.

The item "Securities" includes, in addition to other securities in the possession of the Golddiskontbank, the three to five year 7 per cent mortgage bonds of the Rentenbank-Kreditanstalt issued in 1926.

The total amount of these bonds issued was *R.M.* 355.7 millions; the first third, amounting to approximately *R.M.* 120 millions, fell due on July 15, 1929, and has been redeemed in full.

As reported by the Rentenbank-Kreditanstalt, roughly 40,000 agriculturalists were affected by this transaction. The unsatisfactory position of the capital market made it necessary to co-operate with a large number of real credit institutions and Giro-

zentralen, for the purpose of arriving at a re-distribution of the debt in the many cases where cash repayment was out of the question. It was found possible to allow deferred payments to a total amount of *RM* 20 millions in round figures, whilst the Rentenbank-Kreditanstalt took over mortgage bonds in the amount of *RM* 8 millions out of its own funds and negotiated the sale of a further *RM* 10 millions in connection with this redistribution operation. The Golddiskontbank had no part in the action taken to allow deferred payments. On the other hand it accepted any amounts for redemption purposes even before the date of expiry of the term of repayment.

VII. Some aspects of Reichsbank policy.

Before considering the policy pursued by the Reichsbank, a brief review is as usual given in the present Report of the general economic position of Germany during the period covered by it.

a. Development of the general trade situation.

The markedly favourable business conditions obtaining during the middle of 1927 began to show a falling off at the outset of 1928; this tendency gradually became more apparent in various directions during the latter part of 1928. During the opening months of 1929 the business situation was subject to the effects of the abnormally severe winter, to which reference was made in the interim Report of last July. For the rest of the current year the development of the general business situation was comparatively stationary; it was especially influenced by the marked shortage of capital, which had constantly increased till latterly. In some quarters, though not in the field of the volume of production, a declining tendency has made its appearance especially in recent months.

Below are some representative figures for the third quarter of 1927, 1928 and 1929, reflecting the general development.

	1927 Monthly average 3rd quarter	1928 Monthly average 3rd quarter	1929 Monthly average 3rd quarter
Index, number of production (July 1924—June 1926 = 100).....	123.3	117.6	123.6
Trucks supplied by the Reichsbahn (1000 trucks).....	4,017	4,012	4,127
Giro business of the Reichsbank (in milliards of reichsmarks).....	52.17	58.26	63.65
Degree of industrial activity.....	93.2	89.5	88.1
Exports of finished goods (in millions of reichsmarks).....	635	771	858
Share index.....	172.21	162.73	149.04
Bankruptcies.....	398	579	747

The apparent contradiction between the rise in the figures for output and commodities and money traffic (which in 1929 were

Month	Out-put of coal (1,000 tons)	Out-put of crude steel (1,000 tons)	Index figures of production	Buildings completed (total of buildings)	Number of trucks made available by the Reichsbahn (1,000 trucks)	Proceeds from bill stamp duty (in millions of reichsmarks)	Weekly wages (first day of the month)		Unemployment (in 1,000)	Industrial activity	Insolventcies
							Skilled workers	Unskilled workers			
			(RM)				(RM)				
1925											
March ..	11,412	1,209	111.8	—	3,042	7.5	38.68	28.93	466	92.7	776
June	9,891	1,109	107.1	—	2,938	7.8	41.41	30.70	195	95.1	766
Sept.	11,355	876	103.3	—	3,240	4.4	43.63	32.34	266	92.8	914
Dec.	11,367	765	104.1	—	2,784	3.3	44.88	33.27	1,499	70.5	1,660
1926											
March ..	11,424	949	92.5	—	3,154	3.2	45.20	33.59	1,942	67.6	1,871
June	11,756	976	93.4	1,844	3,261	2.9	45.18	33.59	1,741	73.2	913
Sept.	12,876	1,144	106.2	2,092	3,637	2.8	45.26	33.67	1,394	78.7	467
Dec.	13,783	1,303	120.3	3,291	3,623	3.3	45.51	33.92	1,749	79.3	435
1927											
March ..	14,046	1,416	123.3	2,587	3,888	3.8	46.10	34.31	1,121	85.9	557
June	11,820	1,328	121.0	2,308	3,709	3.7	48.31	36.18	541	92.1	427
Sept.	12,711	1,375	126.9	2,845	4,086	4.0	48.16	36.11	356	93.8	360
Dec.	13,238	1,372	126.5	4,329	3,811	4.3	48.57	36.49	1,188	84.3	619
1928											
Jan.	13,421	1,471	127.8	2,680	3,541	4.5	49.20	37.56	1,333	86.1	766
Febr. ...	12,926	1,324	129.2	2,258	3,584	4.0	49.33	37.66	1,238	87.2	699
March ...	14,118	1,422	128.1	2,963	4,069	4.7	49.44	37.76	1,011	88.6	791
April ...	11,715	1,161	124.6	2,264	3,439	4.1	50.19	38.39	729	90.9	614
May	11,932	1,250	121.5	2,550	3,727	4.2	51.52	39.40	630	91.1	692
June	11,833	1,297	118.8	2,951	3,844	4.4	51.62	39.50	611	90.6	702
July	12,483	1,315	117.5	2,631	3,917	4.3	51.62	39.51	564	89.6	655
Aug.	13,021	1,332	117.8	2,871	4,083	4.5	51.71	39.81	575	89.5	552
Sept. ...	12,157	1,190	117.6	3,905	4,036	4.3	51.71	39.82	577	89.5	530
Oct.	13,311	1,307	116.0	3,536	4,375	4.7	52.10	40.17	671	89.0	685
Nov.	12,141	358	95.5	3,825	3,957	4.4	52.15	40.21	1,030	86.5	674
Dec.	11,819	1,091	115.2	4,179	3,404	4.5	52.25	40.47	1,702	78.7	624
1929											
Jan.	13,490	1,470	123.5	3,037	3,376	4.6	52.34	40.50	2,246	75.7	832
Febr. ...	12,104	1,270	117.3	1,572	3,072	4.0	52.40	40.55	2,461	72.7	775
March ...	13,502	1,316	121.0	1,586	3,733	4.5	52.41	40.55	1,899	78.3	930
April ...	13,407	1,416	128.7	1,663	3,929	4.7	52.62	40.74	1,126	85.1	885
May	12,759	1,421	124.1	2,335	3,922	4.4	53.65	41.52	808	86.8	846
June	13,221	1,431	125.6	2,190	3,934	4.2	53.77	41.63	723	88.8	803
July	14,362	1,465	121.7	2,818	4,218	4.6	53.79	41.66	711	88.3	845
Aug.	14,467	1,402	124.0	2,946	4,182	4.1	53.81	41.67	726	88.2	739
Sept. ...	13,480	1,231	125.1	3,886	3,980	3.8	53.81	41.69	749	87.7	657
Oct.	14,835	1,377	126.9 ¹⁾		4,454	4.0	53.85	41.73	890	86.4	840
Nov. ...		1,286					53.89	41.76	1,200	82.9	795

1) Provisional figure.

¹⁾ Provisional figure.

even greater than in the favourable year 1927) and the fall in the degree of industrial activity is principally due to the increased number of workers taken as a basis for the calculation.

The picture of unemployment corresponds with the degree of industrial activity. From the monthly figures contained in the table it can be seen that, during the current year, also in the months not influenced by the abnormal winter, the number of unemployed in receipt of relief remained higher than in 1928. In addition, the number of persons in receipt of emergency relief is also much higher to-day than was the case a year ago. Taking both groups together, the difference as compared with last year amounted this summer to some 200,000 and rose still further until it approached 300,000. The latest figures (November 30, 1929) are: unemployed 1,200,400; persons in receipt of emergency relief 186,700; total 1,387,100, as against November 30, 1928: unemployed 1,029,700; persons in receipt of emergency relief 108,100; total 1,137,800.

On the other hand, it must be remembered that the German working population between the ages of 15 and 65 years increased in 1928 by 432,000, whilst this increase is assessed at 376,000 for 1929.

Diagram V.
Industrial activity.

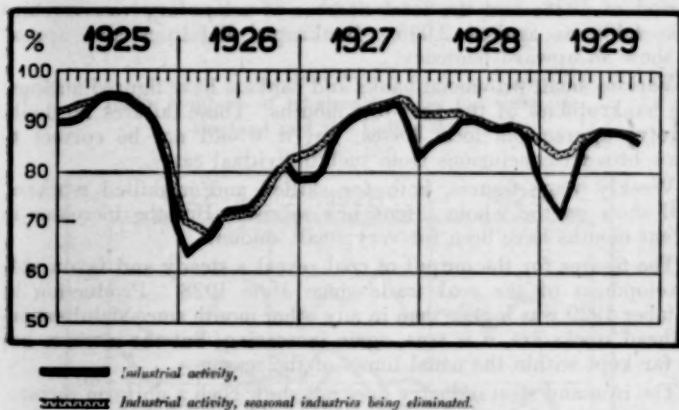


Diagram V shows in detail the course of the degree of industrial activity during recent years. In computing the figures the Institut für Konjunkturforschung took into account both full-time unemployed and part-time workers.

It is difficult to eliminate seasonal influences without affecting the general character of the statistics. It is nevertheless a fact that the dotted line in the Diagram, which is based on figures calculated after omitting workers in the purely seasonal occupations and in the foodstuffs and catering trades, shows the same general trend.

The figures for completed buildings do not give a full picture of development in the building trade. For, while the number of

buildings completed in the third quarter of 1929 exceeds that of the same period in the previous year, the appreciable falling off in the degree of activity in the building trade leads to the conclusion that there is a falling off in the number of new buildings under construction. The main cause is to be found in the smaller amounts which the communes are able to make available for building purposes.

The returns of the Bill Stamp Duty decreased considerably during the last few months. In September they fell below 4 million reichsmarks for the first time since 1927. The distinct decrease in the volume of bills in circulation which these figures reflect all tallies with the picture of the trade situation of the moment. The high rate of interest forces traders to restrict the volume of stocks which they hold on credit.

The number of protested bills is larger than last year. Whereas the daily average of bill protests was 351 representing an amount of 510,000 reichsmarks in November 1929, the daily average was 293 representing an amount of 398,000 reichsmarks in November 1928.

The figures for insolvencies, together with cases of temporary receivership which are not included in the table, show the same tendency. The total number of bankruptcies during eleven months of 1929 was 8,947, as compared with 7,360 during the same period of 1928; and the total number of temporary receiverships was 4,430 as against 2,935. Bankrupts' liabilities also appear to show an upward tendency.

Various small provincial banks and bankers have figured amongst the bankruptcies of the past few months. These failures no doubt involve appreciable local losses; but it would not be correct to draw broader conclusions from such individual cases.

Weekly wage figures, both for skilled and unskilled workers, still show on the whole a tendency to rise. But the increases in recent months have been for very small amounts.

The figures for the output of coal reveal a steady and favourable development of the coal trade since June 1928. Production in October 1929 was higher than in any other month since stabilisation. Pithead stocks are, it is true, again increasing; but the increase has so far kept within the usual limits of the season.

The iron and steel industry does not show such a uniform picture. The figures of output are not unfavourable as a whole; but they have fallen slowly since July, although there was a slight rise again in October. Production fell, however, again in November, though the average output per working day was higher than in the previous month. On the other hand international prices are moving downwards, while orders were held up owing to the uncertainty prevailing with regard to the continuation of the Raw Steel combine and at the same time of a number of other associations¹⁾. The Raw Steel combine has prescribed a 10 per cent reduction of output as from the beginning of November.

As regards other branches of industry, the satisfactory condition of the chemical industry has been steadily maintained. The electro-

¹⁾ On December 20, 1929, the Raw Steel combine was prolonged for ten years.

technical industry also continues to be satisfactorily occupied, although orders are beginning to fall off. The machinery industry showed a falling off in home business, but has been able appreciably to increase its export trade. The position of the textile industry has improved in some branches, seasonal influences having played a part during recent months.

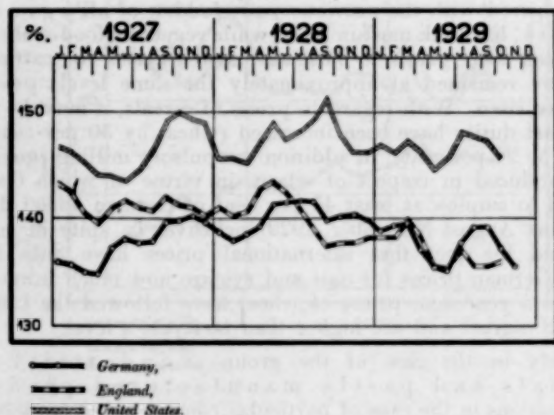
It is not yet possible to gauge the effects on international economic life, and so on several branches of German industry, of recent events on various foreign stock exchanges.

In several parts of the Reich the situation of agriculture remains difficult. This year's harvest was satisfactory in the case of various products. Prices, however, have for the greater part fallen; the downward tendency of rye prices in particular has assumed dimensions which give rise to anxiety.

b. Movement of prices.

Diagram VI and Annex E show the indices of the wholesale trade prices in Germany (Statistical Office of the Reich), Great Britain (Board of Trade) and the United States (Bureau of Labor Statistics). In appreciating these index numbers it should always be borne in mind that the curves and the figures are comparable in respect of their general trend rather than of their actual amounts.

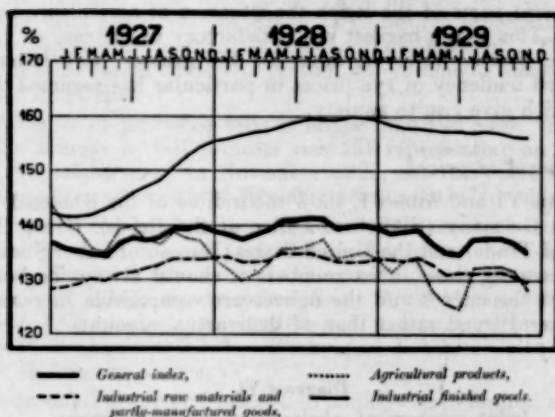
Diagram VI.
Index numbers of wholesale prices for Germany,
England and the United States.
(1913 = 100)



The movement of prices in Germany, as given in Diagram VII and Annex F, showed great stability combined with a slightly downward tendency during the period under report. In so far as fluctuations were to be observed from month to month (they remained between 140.3 in November 1928 and 135.1 in June 1929),

these were predominantly due to changes in the prices of agrarian products. The fall observed during the past few months was also in the beginning due to the same causes. More recently, however, most groups joined the downward tendency.

Diagram VII.
Index numbers of German wholesale prices.
(1913 = 100)



As compared with the previous year, fodder, of all agrarian products, has sunk most in price, while vegetable food-stuffs have not reduced their prices to such an extent. Prices for cattle products have remained at approximately the same level; prices of cattle have risen. With regard to prices of cereals, it must be noted that import duties have been increased (wheat by 30 per cent, rye and oats by 20 per cent); in addition compulsory milling provisions were introduced in respect of wheat, in virtue of which German mills had to employ at least 45 per cent of German wheat during the months August-November 1929 inclusive. In spite of import duties and the fact that international prices have only fallen slightly, German prices for oats and rye are now much lower than they were a year ago; prices of wheat have followed the trend of the world market and are higher than last year's level.

Similarly in the case of the group of industrial raw materials and partly manufactured products the fluctuations in the case of particular component elements of the index-number cancel out owing to the movement of prices in opposite directions. As compared with the maximum figures obtained last year (November), the prices regulated by the combines showed, according to the Institut für Konjunkturforschung, the greatest stability with an occasional tendency to rise, whereas "free" prices showed a marked downward tendency.

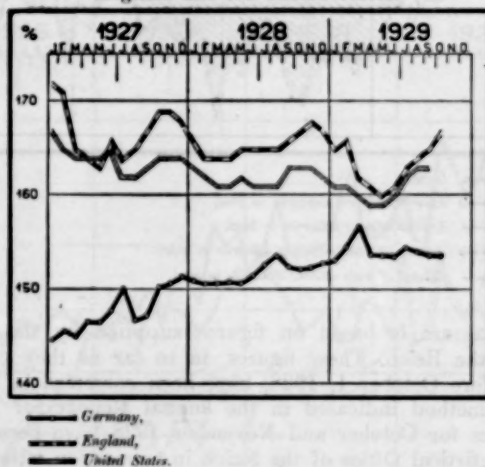
Index numbers of free and regulated prices for industrial raw materials and partly-manufactured products (1926 = 100)							
	1928				1929		
	March	June	Sept.	Dec.	March	June	Sept.
Prices regulated by combines	99.9	102.7	103.3	104.2	104.8	104.9	105.3
Free prices	108.4	108.2	104.2	102.9	100.9	96.9	96.6

During recent months most prices fell on the international market, in particular the prices of rubber, cotton, zinc, lead, copper, coffee and sugar.

In the group of industrial finished products the prices of means of production remained at a slightly higher level than that of the previous year. The set-back in the index numbers of this group is caused entirely by goods for consumption.¹⁾

Diagram VIII and Annex G give the movements of the indices of the cost of living in Germany, Great Britain and the United States respectively. The divergencies during recent months are striking, particularly in the case of Great Britain and Germany.

Diagram VIII.
Index numbers of cost of living for Germany,
England and the United States.

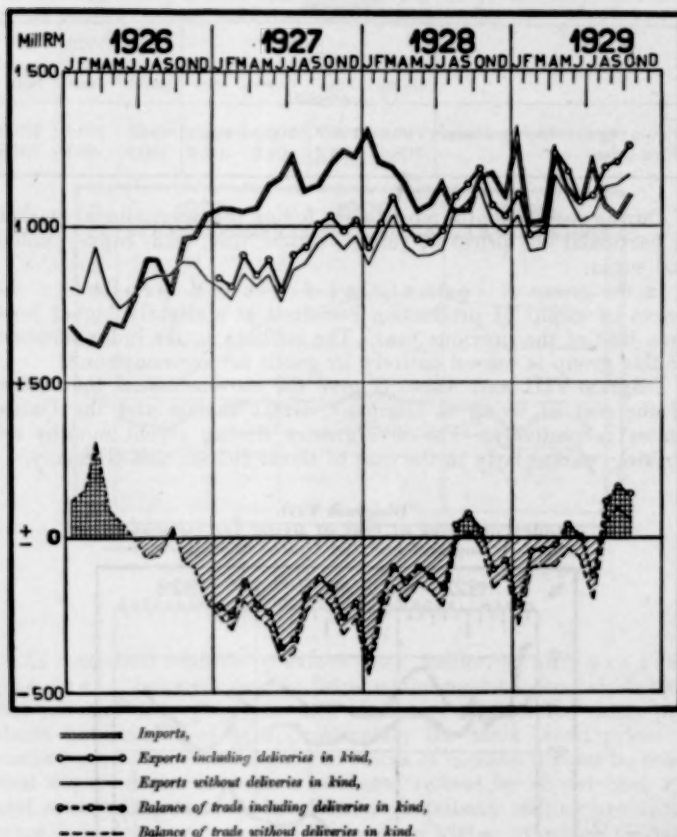


c. Balance of trade.

Diagram IX and Annex H show the development of import and export figures with the balances, favourable and unfavourable, since the beginning of 1926.

¹⁾ According to the Institut für Konjunkturforschung, the wholesale trade value of the means of consumption was *R.M.* 200–300 millions less during the fourth quarter of 1929 than last year.

Diagram IX.
Germany's imports and exports.



The Diagram is based on figures supplied by the Statistical Office of the Reich. These figures, in so far as they concern the period before October 1, 1928, have been corrected in accordance with the method indicated in the annual Report for 1927-1928. The figures for October and November 1928 have been corrected by the Statistical Office of the Reich in connection with the introduction of the new law concerning the statistics of trade with foreign countries.

The favourable development of foreign trade, to which reference was made in the interim Report for 1929, was at first maintained.

Except in July, for which month as for January the import figures are exceptionally high for technical reasons, the trade balance has been favourable from May to October inclusive — the

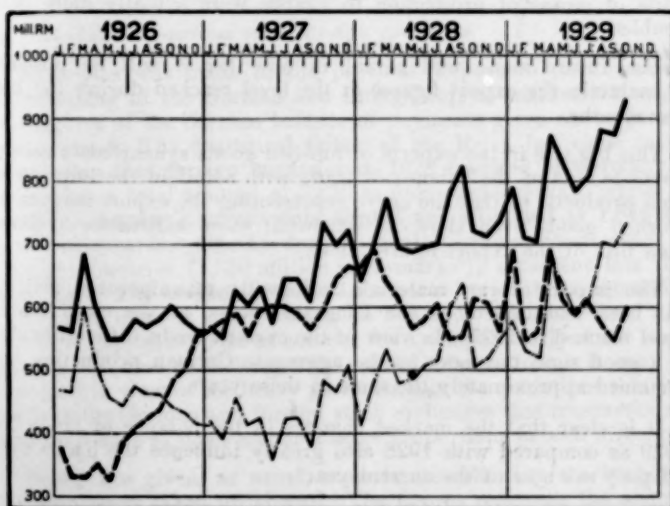
excess of exports over imports being considerable as from August. This improvement was entirely due to increase of exports. In November, however, the trade balance showed a slight excess of imports (due to increase of imports and decrease of exports); but this would appear to have been due largely to seasonal influences, and does not so far affect the general picture. Whereas the imports of the current year (eleven months) are not in the aggregate different from the corresponding figures of the years 1927 and 1928, the export figures for the months January to November 1929 are *R.M.* 1,052 millions higher than in 1928 and actually *R.M.* 2,514 millions higher than in 1927.

Accordingly the eleven months of 1929 show a surplus of exports over imports of *R.M.* 24 millions as compared with a surplus of imports over exports in the two previous years of *R.M.* 1,182 and 2,528 millions respectively.

Special interest attaches to the relation between the figures of imports of raw materials and partly-manufactured articles and the figures of finished products. The figures are shown in Diagram X; they are incorporated in Annex I.

Diagram X.

Imports of raw materials and partly-manufactured goods and exports of finished goods.



- Exports of finished goods, including, as from 1927, deliveries in kind,
- - - Imports of raw materials and partly-manufactured goods,
- · - Excess of exports over imports of finished goods.

A conspicuous feature of the Diagram is the marked increase in the aggregate exports of finished articles, which constitutes by far

the biggest cause of the favourable trade balance of recent months down to October.

This development is due to various circumstances. The present position of business in Germany, the level of prices and—last but not least—the high rate of interest, taken in conjunction with the increasing tension on the German money and capital markets, have all tended to stimulate exports.

Another and very important factor in the increase in exports of finished goods was certainly the satisfactory business situation prevailing in a great number of countries during the previous period. The German industries manufacturing means of production (iron goods, machinery, ect.) profited principally by this satisfactory state of affairs.

Exports of industrial finished goods during the first half of 1929 increased by 270 million reichsmarks or 9 per cent in respect of European countries, and by 230 million reichsmarks or 18.5 per cent in respect of overseas countries, when compared with the first half of 1928. The most important markets for industrial output are still Great Britain, the Netherlands and the United States. During the first six months of 1929, exports to France, China, the United States, some of the South American States and Belgium in particular showed an appreciable increase, as compared with the same period of 1928, whereas exports to Russia fell considerably; exports of means of production to France were actually more than doubled.

The future alone will reveal in how far it will be possible to maintain the export figures at the level reached during the last few months.

This big rise in the exports of finished goods synchronises on the opposite side of the balance of trade with a fall in the imports of such products, so that the curve representing the export surplus of finished goods even shows a somewhat more satisfactory course than that of the export figures alone.

The import of raw materials and partly manufactured articles has been maintained, as the Diagram shows, at the considerable level reached in 1927. In view of the current credit difficulties this is a good sign, the more as the aggregate German production has remained approximately the same in these years.

It is clear that the marked changes in the balance of trade for 1929 as compared with 1928 also greatly influence the balance of payments of the current year.

The previous Report included a table, based on figures published by the Statistical Office of the Reich, showing the German balance of payments from 1924 to 1928 inclusive. No data are as yet available for the current year. The table in question is therefore again reproduced below and reference is made to the detailed observations thereon contained in the previous Report. It is again pointed out that many of the figures entered are based on estimates.

**Surpluses (+) and deficits (—) of the German balance of payments
from 1924 to 1928**

(in millions of reichsmarks)

	1924	1925	1926	1927	1928
Trade	— 1,811	— 2,439	+ 797	— 2,987	— 1,272
Services:					
a) On the open market	+ 175	+ 215	+ 233	+ 297	+ 294
b) Reparation services in Germany	+ 83	+ 162	+ 93	+ 77	+ 69
Interest	+ 100	— 110	— 300	— 495	— 735
Reparation payments	— 281	— 1,057	— 1,191	— 1,584	— 2,000
Transfers of capital by immigrants and emigrants	— 65	— 85	— 75	— 70	— 70
Movement of gold and foreign exchange at the banks of issue	— 1,255	— 90	— 568	+ 452	— 931
Movement of foreign investments in Germany	+ 1,000	+ 1,124	+ 1,376	+ 1,613	+ 3,559
Movement of German investments abroad	+ 1,000	+ 200	—	+ 73	— 1,846
Short-term capital transactions ...	+ 506	+ 118	+ 137	+ 1,904	+ 1,588
Capital transactions not otherwise classifiable (calculated as balance)	+ 548	+ 1,962	— 502	+ 720	+ 1,344

d. Capital transactions with foreign countries.

Reference was made in the previous Report to the increasing interlocking of the German and foreign capital markets, of which the figures of the German balance of payments given above furnish clear proof. The Statistical Office of the Reich has come to the conclusion that foreign countries in 1928 invested in Germany at long-term a total amount of 3,659 million reichsmarks¹⁾, whilst inversely Germany's investments abroad are estimated at 1,846 million reichsmarks. Of the former total, German bond issues in foreign countries (1,350 million reichsmarks²⁾) represent less than one-third. The amount of these issues was very much curtailed in 1929, and there is every reason to conclude that this time other forms of capital investment account for a comparatively much larger portion of the total long-term capital transactions. It may be assumed in view of the heavy movements in the quotations this year on both the German and foreign stock exchanges that transactions of this kind have at times assumed large proportions in both directions.

Below are given, as usual, some figures showing the long-term German loans taken up abroad. The figures represent the nominal amounts of the loans; the amounts actually received by the German economy were in most cases very much smaller. Re-imbursements, amortisations and re-purchases are not taken into account.

¹⁾ As against this item of the balance there are repayments to a total of 100 million reichsmarks.

²⁾ The Statistical Office has taken the net issue prices as the basis of these figures.

Long-term German loans abroad (nominal amounts in millions of reichsmarks)					
Year	Corporations of public law standing	Public undertakings	Mortgage banks	Other undertakings	Total
1924	960.0	—	—	42.0	1,002.0
1925	379.5	259.5	120.1	506.4	1,265.5
1926	327.1	333.7	194.9	724.4	1,580.0
1927	268.8	63.0	515.3	564.6	1,411.7
1928	165.9	418.7	473.7	405.9	1,464.2
1929 (first 10 months)	31.5	117.9	5.0	184.4	338.8

The above loans are distributed over the individual countries as follows:

Long-term German loans abroad (nominal amounts in millions of reichsmarks)							
Year	Total	United States of America	Holland	Great Britain	Switzer- land	Sweden	Other countries
1924	1,002.0	512.4	51.3	250.5	56.6	28.2	103.1
1925	1,265.5	923.0	142.1	122.2	67.9	10.3	—
1926	1,580.0	1,107.9	189.5	142.0	66.2	43.4	31.1
1927	1,411.7	890.4	262.4	152.8	52.0	51.9	2.3
1928	1,464.2	1,017.1	201.7	135.2	57.6	11.8	40.8
1929 (first 10 months)	338.8	165.8	59.9	56.4	53.4	3.2	—
Total:	7,062.2	4,616.6	906.9	859.1	353.7	148.8	177.3

From the table on page 39 it can be seen that foreign issues had practically ceased till October. Only in June there were placed abroad 70 million reichsmarks, mostly for account of the Potash Syndicate which sold the last tranche of a loan originally concluded in 1925. The other issues in this month were an industrial loan of 8 million Swiss francs and a few small loans taken up in Holland. During the three following months the only issues were loans of religious bodies, placed in Holland.

It should be noted that the tables do not include a certain number of large foreign credits granted for periods of one or several years, which cannot be classed as long-term loans. The most important of these foreign credits were a one-year loan to the Reich of 50 million dollars in June, a one-year loan to the City of Berlin Transportation Company (Berliner Verkehrs A. G.) of 1 million pounds sterling and 10 million dollars in July, and

Long-term German loans abroad (nominal amounts in millions of reichsmarks)					
Period	Corporations of Public Law standing	Public under- takings	Mortgage banks	Other under- takings ¹⁾	Total
Monthly averages					
3rd quarter 1927	36.2	24.4	75.8	86.8	223.2
4th quarter 1927	43.2	—	84.0	61.4	188.6
1st quarter 1928	0.7	36.1	46.5	30.8	114.1
2nd quarter 1928	31.6	54.8	102.7	56.0	245.1
3rd quarter 1928	7.8	26.0	2.7	1.5	38.0
4th quarter 1928	15.2	22.7	6.0	47.1	91.0
1st quarter 1929	5.6	39.3	1.7	30.3	76.9
2nd quarter 1929	—	—	—	24.9	24.9
3rd quarter 1929	—	—	—	2.1	2.1
Monthly figures 1928					
August	—	—	4.2	0.4	4.6
September	23.5	73.5	3.8	2.5	103.3
October	—	10.5	7.5	15.6	33.6
November	39.6	24.5	—	103.9	168.0
December	6.1	33.0	10.5	21.8	71.4
1929					
January	16.8	9.7	—	0.5	27.0
February	—	108.2	5.0	42.2	155.4
March	—	—	—	48.2	48.2
April	—	—	—	1.1	1.1
May	—	—	—	3.5	3.5
June	—	—	—	70.1	70.1
July	—	—	—	1.4	1.4
August	—	—	—	2.3	2.3
September	—	—	—	2.7	2.7
October	14.7	—	—	12.4	27.1
¹⁾ Including religious bodies.					

three further similar industrial credits for a total amount of 1 million pounds sterling and 6 million dollars.

In addition to taking up such short-term credits some undertakings satisfied their capital requirements by selling shares abroad. No figures are available as to the extent of these transactions.

The figures in the tables also do not include sales to foreign countries of securities issued in Germany. Although generally speaking such sales were considerably less than in previous years, a certain amount of such dealing appears to have taken place in the case of particular classes of securities, such as the Treasury certificates of certain large cities, to which reference is made on page 54.

The extraordinary falling off in the amount of foreign capital issues during recent months is due to various causes.

Uncertainty as to the result of the Hague Conference played a part at the beginning. At the same time the stringency of the capital markets on which Germany principally depends (especially America) increased as a result of speculative price developments on the share markets, and the accompanying strain on the international money markets became more and more acute. Internal factors of various kinds, such as the cessation of payments by a big insurance company, operated in the same direction.

The speculative development of prices on the New York Stock Exchange came to an abrupt end in October, with the result that the tension on the international money markets became appreciably less. But the foreign capital market will only recover gradually. As shown by the above figures, the new foreign loans in October totalled only *R.M.* 27.1 millions.

Details of the future Reich loan of 125 million dollars, which forms part of the contract concluded with the Swedish Match Trust Kreuger & Toll on October 26, 1929, were given on page 25.

Following the heavy fall in the number of external loans, the activities of the Advisory Board for Foreign Loans were naturally considerably reduced during the period under report. Detailed information as to the origin and activities of the Board have been supplied in earlier Reports. It was originally appointed to function until the end of October 1929, but this term was recently extended provisionally to February 28, 1930. No changes have been made during the past two years in the regulations governing its activities.

Short-term capital transactions with foreign countries are of their nature much more fluid than long-term transactions. The former are in the first instance controlled by factors such as the interest spread between one market and another and the position of the exchanges. There can be no doubt, in view of the heavy changes which these factors have shown, that short-term transactions have often assumed a big volume.

After the events at the end of April and the beginning of May, which compelled the Reichsbank to intervene, as described in the previous Report, the interest spread between Germany and the most important foreign markets at first assumed considerable proportions. It decreased, however, by degrees owing to the gradual rise in the interest level on other markets, and there were forms of short-term investment in foreign countries which in many cases gave a yield exceeding that to be obtained on the German market. Quite recently, however, the spread has again increased considerably owing to a decline in short-term interest rates abroad, which the German money market has only to a certain extent followed.

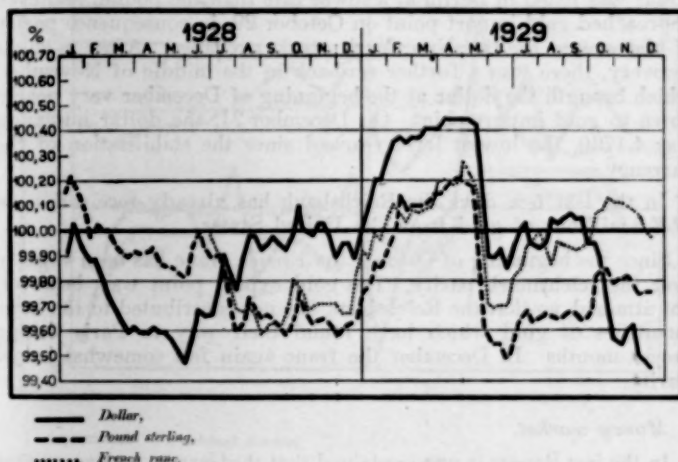
It may be assumed that, on balance, Germany's total short-term indebtedness increased still further in 1929.

The balance of trade has, it is true, not been adverse again this year; but the balance of payments still shows a very appreciable deficit, moreover, the reduced possibility of taking up long-term loans has rendered appreciably more difficult the funding of existing short-term debts.

e. Movements of the foreign exchanges.

Diagram XI shows the movements of the pound sterling and the dollar as from the beginning of 1928. The French franc has been included as from June 25, 1928, the date on which it was stabilised. The rates are expressed in percentages of parity and can therefore be compared one with another. The figures are given in Annex J.

Diagram XI.
Foreign exchange rates in Berlin.
(weekly averages in percentages of parity)



The Diagram clearly shows the considerable fluctuations of the exchanges during the period under report and in particular since the beginning of 1929. Whereas in 1928 the foreign exchanges were quoted fairly steadily below the reichsmark, there was a marked upward movement in December, 1928, which continued during the earlier months of 1929 and soon brought the foreign rates above the reichsmark parity, while the dollar actually reached the gold export point. The premium on the foreign exchanges continued until the middle of May, after which the picture changed completely. There was a sharp fall, which soon brought the foreign exchange rates again below parity, and in the second half of June the pound sterling was on more than one occasion below the gold import point. The causes and effects of these abrupt fluctuations have already been discussed in detail in the interim Report for 1929.

The exchanges remained fairly stable during the third quarter of 1929. After a slight rise about the middle of the year, the dollar and the French franc remained near to parity (the franc almost always slightly under par, the dollar somewhat under par in July and August¹⁾) and somewhat above par in September) whilst the

¹⁾ The rise in the New York discount rate on August 9, remained, as was to be expected, almost without effect on the dollar rate.

pound sterling remained with slight fluctuations round about gold import point. The low quotations for sterling resulted, as mentioned on page 11 in appreciable amounts of gold being obtained from Great Britain. At the end of September the position changed. The pound recovered owing to the raising of the discount rate of the Bank of England from $5\frac{1}{2}$ to $6\frac{1}{2}$ per cent on September 26. It nevertheless continued to remain below the reichsmark parity during the following months. In the meantime the dollar began to fall, and on September 25 was quoted below the reichsmark parity. Towards the middle of October there was a further rapid fall, which continued until the end of the month. On October 12 the dollar was listed in Berlin at a lower rate than the pound, and even approached gold import point on October 29, in consequence partly of the events on the New York stock exchange. After a slight recovery, there was a further set-back in the middle of November, which brought the dollar at the beginning of December very nearly down to gold import point. On December 21, the dollar quotation was 4.1730, the lowest level reached since the stabilisation of the currency.

In the last few days the Reichsbank has already received some *RM* 5 millions of gold from the United States.

Since the beginning of October the French franc has been slightly over the reichsmark parity. The gold export point was, however, not attained, so that the Reichsbank has not contributed to the large quantities of gold which have found their way to Paris during recent months. In December the franc again fell somewhat below parity.

f. Money market.

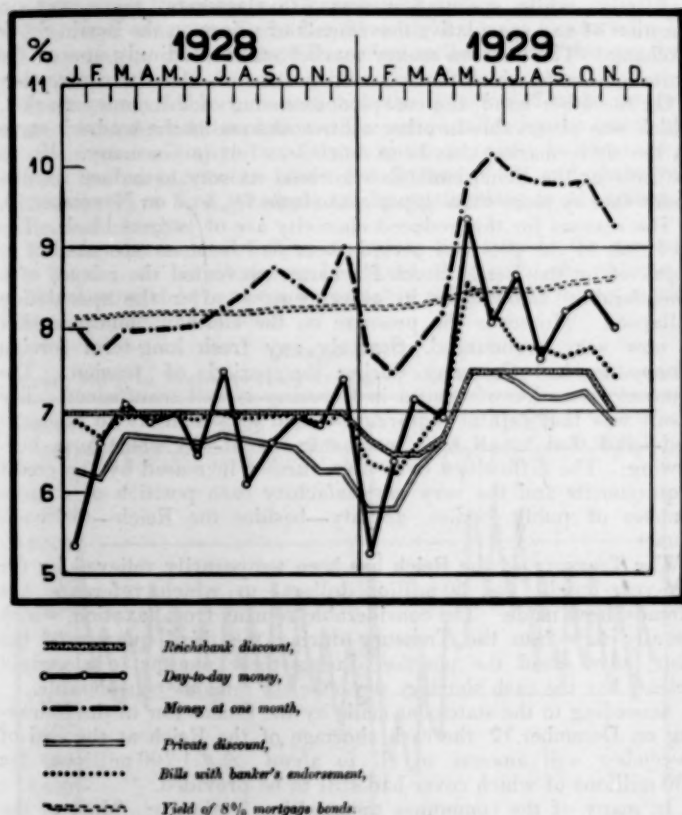
In the last Report it was explained that the German money market was relatively easy at the beginning of the year, and remained so even after foreign money markets had begun to experience a stringency. The spread in the interest rates was thus decreased, and an efflux of short-term money began, which was also stimulated by various factors of another character. This led to the developments at the end of April and the beginning of May, which were discussed in detail in the previous Report. The abnormally high rates for money, which accompanied the Reichsbank's intervention, did not long prevail, though they remained appreciably higher than before.

The high level of the rates for money is explained in the first instance by developments on other markets. The ever-increasing speculation in several financial centres (more particularly New York) attracted more and more short-term money, whilst in addition the strong position of the French currency—expressed most markedly on the London market—increased the tension on the international money markets.

The result was that the interest rates for short-term money not only remained high everywhere, but even showed signs of a further rise, which was reflected in various increases in the discount rates (on August 9, to 6 per cent in New York; on September 26, to $6\frac{1}{2}$ per cent in London).

Diagram XII.

Money rates in Berlin (monthly averages).



The dominant influence of stock exchange speculation on the international money markets was clearly evidenced by what happened when this speculation collapsed in October. Within a very short time the picture of the various money markets changed completely. The acute tension vanished; rates of interest fell. In New York, where the price of money had risen most, and where during the period of speculation 9 per cent and over had repeatedly been paid for long-term and day-to-day money, a rate of 5 per cent and under has again prevailed since the middle of November. The discount rate of the New York Federal Reserve Bank again stands at $4\frac{1}{2}$ per cent since November 15. The Bank of England has also reduced its discount rate in three stages to 5 per cent. The feeling of uncertainty due to the disturbing effects of international speculation, which had hampered the activities of the money markets, has vanished.

A comparison between developments on the German money market and on the most important foreign centres reveals a remarkable difference in two respects.

Firstly, while speculation was rife elsewhere, there was no question of any speculative movements of prices on the Berlin Stock Exchange. The German money market was accordingly spared the acute tension to which the speculative demands elsewhere gave rise.

On the other hand, the conspicuous easing of the money market, which was observable in other centres as soon as the set-back came on the share market, has been much less felt in Germany. Up to the present the Reichsbank has not seen its way to reduce its discount rate by more than $\frac{1}{2}$ per cent (from $7\frac{1}{2}$ to 7 on November 2).

The reasons for this reduced elasticity are of various kinds. The fact that in the previous period there had been no speculation to speak of on the Berlin Stock Exchange prevented the release of a considerable amount, as in other centres, after the speculation collapsed. Moreover the pressure on the German money market is now very pronounced. Scarcely any fresh long-term foreign money reached Germany during the period of tension. The internal formation of capital in Germany is still insufficient. The result was that capital requirements had provisionally to be satisfied—and that to an ever increasing extent—by short-term borrowing. The difficulties have been further increased by the credit requirements and the very unsatisfactory cash position of a large number of public bodies, notably—besides the Reich—the communes.

The Treasury of the Reich has been temporarily relieved by the one-year credit for 50 million dollars, to which reference has already been made. The considerable returns from taxation, which usually flow into the Treasury during the third quarter of the year, have eased the position during these months to a certain extent; but the cash shortage nevertheless remains considerable.

According to the statement made by the Chancellor in the Reichstag on December 12, the cash shortage of the Reich at the end of December will amount in all to about *RM* 1,700 millions, for 330 millions of which cover had still to be provided.

In many of the communes the position is similar. Most of the towns have been unable for about a year and a half, to find cover on the capital market for their large capital expenditures. They too therefore have been thrown back on the money market, and have in many cases been obliged to accept unusually high rates of interest to satisfy their most urgent requirements. The short-term debt of the communes at the end of November may be estimated at not less than *RM* 2 milliards; but this figure does not include the (in some cases very considerable) debts contracted by communal undertakings having independent legal standing.

Alltogether the floating debt of Reich, States and communes may be put at some five milliards of reichsmarks.

The financial reform programme accepted by the Reichstag on December 21, comprises a number of measures which may contribute towards an improvement in the credit situation of the Reich. Further on December 19, the five parties of the Government coalition introduced a bill in the Reichstag for the establishment of

a sinking fund for the amortisation of the floating debt of the Reich, to amount by the end of the financial year 1930 to *R.M.* 450 millions. This sinking fund is to be formed out of the proceeds of taxation and economies on expenditure. The bill was passed by the Reichstag on December 22, 1929.

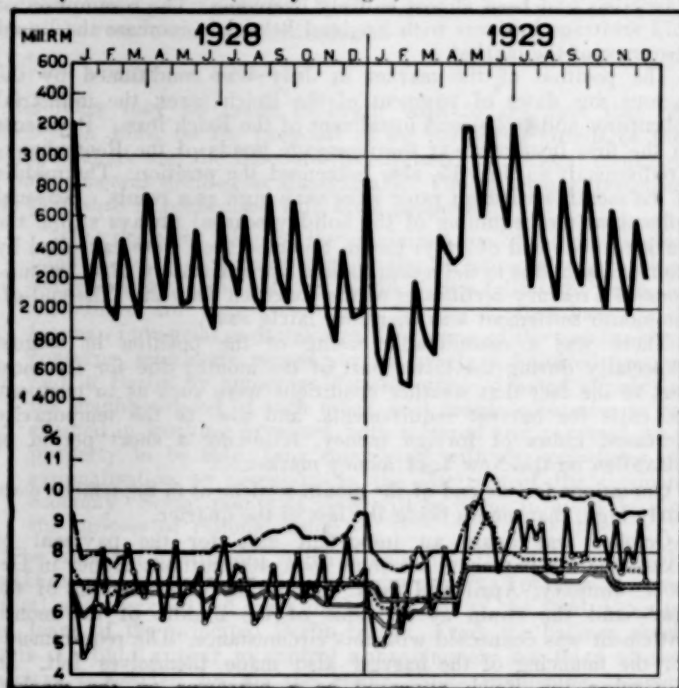
The steps taken on December 21 with the Loan Consortium for the negotiation of the end of December settlement are discussed on page 24.

In the case of the communes also the question of more rigorous control is under contemplation. The action taken by the communes on their own initiative is referred to on page 54. In the case of Berlin the arrangements made for financing the end-of-the-year settlement have been accompanied by an increase in a number of communal charges.

Further discussion of these measures lies outside the scope of this Report. It may however be stated, that, until the volume of public floating debt has been appreciably reduced, the money market will continue to be affected.

Diagram XIII.

Money rates in Berlin (weekly averages) and calls on the Reichsbank.



- Calls on the Reichsbank,
- Reichsbank discount,
- - - Day-to-day money,
- Money at one month,
- Private discount,
- Bills with banker's endorsement.

With regard to the various rates for money, it should again be pointed out that those factors which are of a more general nature are reflected as a rule most clearly in the rates for one-month money. The rates for day-to-day money are more affected by momentary technicalities of the market.

For month-to-month money the quotation at the end of May and beginning of June gives a weekly average of about 10 per cent. From then onwards it varied between 10 and $9\frac{3}{4}$, until after the reduction of the Reichsbank discount rate it dropped by about $\frac{1}{2}$ to $9\frac{1}{4}$ per cent.

The rate for *contango money*, employed mainly for stock exchange transactions, shows a decline in view of the tendencies on the Berlin Stock Exchange. Here too the level was higher than last year. The quotations for *contango money* over the end of June settlement amounted to $9\frac{1}{2}$ –10 per cent, but fell on successive subsequent occasions and for the end of November settlement stood at $8\frac{1}{2}$ –9 per cent. For the end of December the quotation was $8\frac{3}{4}$ – $9\frac{1}{4}$ per cent.

On the day-to-day money market, the half yearly settlement was effected without difficulty, which shows that the May crisis had been almost entirely overcome. The resumption of gold arbitrage business with England helped to increase the liquid resources of the market.

The position of the market in July was conditioned by the various due dates of payment of the Reich taxes, the industrial debentures and the second instalment of the Reich loan. Payments on the first instalment of the mortgage bonds of the Rentenbank-Kreditanstalt on July 15, also influenced the position. The middle of the month settlement rates were very high as a result. Seasonal influences (the beginning of the holiday season) always stiffen the market at the end of July; but in this case they were cancelled by the relaxation due to the redemption of approximately *R.M.* 180 millions of Treasury certificates of the Reich on July 29. The end-of-the-month settlement was therefore fairly easy.

There was a considerable easing of the position in August (especially during the latter part of the month) due for the most part to the fact that weather conditions were such as to postpone the calls for harvest requirements, and also to the temporarily increased influx of foreign money, following a short period of relaxation on the New York money market.

Quotations for the end-of-the month settlement in September were fairly high, that month being the last of the quarter.

October was again an important date for the payment of taxes—the tax-payments are some *R.M.* 400 millions higher in October, January, April and July than in the other months of the year—and the strain at the time of the middle of the month settlement was connected with this circumstance. The requirements for the financing of the harvest also made themselves felt. In November the Reich appeared as a borrower on the market, while the effect of the coming Christmas business was also apparent.

The two last factors continued to affect the position in December. Important steps were taken in connection with the Treasury difficulties of the Reich for the end of the year settlement.

On the private discount market, on which some *R.M.* 800—900 millions of bank acceptances are handled, the quotation in May and June was $7\frac{1}{2}$ per cent, although at the beginning of the period little business was done. It was not until July that quotations were again brought down to $\frac{1}{8}$ per cent below the Reichsbank discount rate. Since that date Treasury bills of the Reich have been repeatedly offered by the Reichsbank instead of bank acceptances; the amount of Treasury bills in circulation has remained practically stable at *R.M.* 400 millions. The rates showed a fresh decrease in August, and the customary rise at the end of the month could without difficulty be put back after a few days as a result of a fairly heavy demand, which however did not continue. At the end of October the rate again stood at $7\frac{1}{4}$ per cent. The reduction of the Reichsbank discount rate was accompanied by a reduction of the private discount rate to $6\frac{1}{8}$ per cent; since November 29, the latter has again remained identical with the Reichsbank discount rate of 7 per cent with the exception of a short interruption in the first half of December.

The rate for trade bills with banker's endorsement followed the general tendency of the money market. In November it again reached a level corresponding to that ruling before the restrictions were introduced.

g. Credit situation of the banks.

Reference may be made to begin with to the fact that on October 29, 1929, on the proposal of the managing boards of the Deutsche Bank and the Disconto-Gesellschaft, the general meetings of both concerns decided to amalgamate. The following statement was published in connection with these proposals:

"The decisions taken by the administration of the two largest banks form a significant step in the direction of eliminating overcrowding in the banking world. They follow the methods introduced for some years past by big foreign banks and German industrial undertakings. The union of the two banking concerns, which are represented in nearly a hundred centres and in Berlin by numerous deposit offices situated closely in the neighbourhood of each other, will enable economies to be effected in working expenses, both material and personal, and property to be sold, thus complying with the principles of rationalisation so necessary in the interests of the German economy. Social points of view will be borne in mind during the process of rationalisation."

The resulting institution, which is known as the "Deutsche Bank und Disconto-Gesellschaft", disposes of more than half of the total share capital and reserves and more than two-fifths of the total deposits and loans of the principal Berlin banks. From the balance sheet totals it would appear to control approximately one-third of the business transacted by all the credit banks publishing interim balance sheets.

The following table gives some of the more important figures in the interim and annual balance-sheets of the principal Berlin banks. The figures give an idea of the development of the institu-

tions in question during the period covered by the Report. Some figures from previous years are appended for comparison.

Principal Berlin banks							
Date	Cash in hand and balances with issue and clearing banks	Credit balances with banks and banking houses	Cheques, bills and non-interest bearing Treasury bills	Contangoes and loans against Stock Exchange securities	Advances on consigned or bonded goods	Loans and advances on current account	Deposits
	(in millions of reichsmarks)						
December 31, 1913.	376	363	1,946	859	530	3,372	5,249
January 1, 1924 . . .	118	527	46	20	76	581	1,187
December 31, 1924.	209	723	944	45	265	1,674	3,530
June 30, 1925	180	686	1,183	73	367	2,483	4,494
December 31, 1925.	266	726	1,363	132	479	2,549	4,935
June 30, 1926	155	771	1,528	326	389	2,657	5,279
December 31, 1926.	281	874	1,677	765	495	3,113	6,450
June 30, 1927	233	933	1,473	639	614	3,844	6,960
December 31, 1927.	358	1,108	2,001	578	853	4,171	8,144
June 30, 1928	246	1,004	2,230	716	1,051	4,527	8,881
August 31, 1928 . . .	192	1,012	2,153	674	1,139	4,710	8,961
September 29, 1928	238	1,083	2,328	691	1,177	4,743	9,320
October 31, 1928 . .	225	1,100	2,479	673	1,275	4,807	9,628
November 30, 1928.	223	1,148	2,563	690	1,380	4,830	9,895
December 31, 1928.	409	1,278	2,732	708	1,527	4,737	10,419
February 28, 1929 . .	218	1,197	2,894	659	1,546	4,944	10,515
March 31, 1929	230	1,240	2,661	655	1,567	5,077	10,492
April 30, 1929	229	1,203	2,385	637	1,540	5,065	10,132
May 31, 1929	229	1,154	2,175	643	1,548	4,976	9,765
June 29, 1929	271	1,231	2,413	634	1,543	4,872	10,086
July 31, 1929	253	1,207	2,408	632	1,555	5,003	10,118
August 31, 1929 . . .	209	1,228	2,531	618	1,570	5,034	10,274
September 30, 1929	236	1,253	2,631	605	1,636	5,127	10,571
October 31, 1929 . .	206	1,280	2,657	509	1,692	5,167	10,651

The figures included in this table differ slightly from those contained in the previous Report; this is due to the fact that four provincial banks associated with the Deutsche Bank and the Disconto-Gesellschaft have also been included in the amalgamation. In order to make it possible to compare the figures with those given in previous years for the principal Berlin banks, the figures of the previous years have also been increased by the figures for the four provincial banks.

The Berliner Handelsgesellschaft has also issued regular monthly balance sheets since August 1929. Although this institution ranks as a big Berlin bank, its figures have not been included in the tables, so as not to impede comparison with previous years.

The banks covered by the tables are therefore the Commerz- und Privatbank, the Darmstädter und Nationalbank, the Deutsche Bank und Disconto-Gesellschaft and the Dresdner Bank.

Movements in the deposits received and total credits accorded by the principal Berlin banks

(in millions of reichsmarks)

	Increase (+) or decrease (—) in	
	deposits received	credits accorded
1924	+ 2,343	+ 2,205
1925	+ 1,405	+ 1,595
1926	+ 1,515	+ 1,527
1927	+ 1,694	+ 1,553
1928	+ 2,275	+ 2,101
Monthly average in 1928	+ 189	+ 175
September 1928	+ 359	+ 263
October 1928	+ 308	+ 295
November 1928	+ 267	+ 229
December 1928	+ 524	+ 241
January/February 1929	+ 96	+ 339
March 1929	— 23	— 93
April 1929	— 360	— 323
May 1929	— 367	— 294
June 1929	+ 271	+ 129
July 1929	+ 82	+ 136
August 1929	+ 156	+ 155
September 1929	+ 297	+ 246
October 1929	+ 80	+ 26

Reference was made in the last interim Report to the fact that the practically continuous expansion of the banks observable since 1924 received a set-back during the second quarter of 1929 owing to events on the money and foreign exchange markets. April and May in particular showed an appreciable falling off both in deposits received and in credits accorded, the former falling by altogether *RM* 750 millions and the latter by altogether *RM* 710 millions during the period March to May 1929 inclusive.

June brought an appreciable increase in both items, following on the return of confidence. Short-term deposits and bills and cheques in particular showed an increase; in the case of the bills and cheques this was due to the easier conditions which followed on the relaxation and suspension of the restrictive measures of the Reichsbank. The danger of a further increase in the discount rate was regarded as no longer existent.

The upward movement continued during the following months, and the set-back of March-May 1929 was entirely wiped out by the end of October. In July, August and October it was chiefly the long-term deposits (8 days to 3 months) which increased (in July and October alone by *RM* 369 and *RM* 296 millions respectively, accompanied by a fall in short-term deposits of *RM* 236

and *RM* 282 millions respectively), a development which points to the restored confidence of the home market, and to a further influx of foreign money—including amongst other things in July the 50 million dollars of the American credit to the Reich. In September the largest increase was in the short-term deposits. The slight increase in deposits in July was partly due to seasonal influences.

The following observations may be made with regard to the separate items of the balance sheets of the principal banks.

The volume of contango loans and other loans against collateral continued to diminish during 1929 in conjunction with the stag-

Balance sheets of German credit banks as at October 31, 1929				
	4 principal Berlin banks	97 credit banks (including 4 principal Berlin banks)	22 State and provincial banks	17 Giro- zentralen
	(in millions of reichsmarks)			
Cash balances, foreign currency and coupons	108.3	152.5	12.6	10.9
Credit balances with banks of issue and clearing banks	97.6	125.4	11.6	7.1
Cheques, bills and Treasury bills...	2,656.6	3,329.8	400.3	129.1
Credit balances with other banks...	1,280.4	1,737.9	359.5	320.9
Contango loans and other loans against collateral	508.6	645.9	125.2	51.1
Contango loans only	287.	339.3	10.9	8.5
Advances on goods	1,691.8	2,194.4	6.3	7.1
Loans and advances on current account, together	5,167.0	7,358.3	1,766.0	1,083.8
amount of the same representing credits to banks	263.4	387.8	316.9	202.7
amount of total covered by stock exchange securities	1,225.0	1,573.7	117.9	40.9
amount of total covered by other securities	2,502.0	3,882.6	1,444.6	599.6
amount of total uncovered	1,440.1	1,902.0	203.6	443.3
Share capital	520.0	989.9	110.6	174.3
Reserves	292.1	449.7	43.1	33.7
Deposits, together	10,651.1	14,284.0	2,899.0	1,805.3
a) Customers' credits with other banks	1,550.2	2,080.5	5.7	5.6
b) German banks, banking firms, etc.	860.5	1,237.8	1,108.4	1,251.1
c) Other deposits	8,240.4	10,965.7	1,784.9	548.6
Of b + c the following amounts are payable:				
within 7 days	3,431.9	4,413.2	699.2	750.7
from 8 days to 3 months..	5,294.0	6,772.8	1,554.9	818.9
after more than three months	375.1	1,017.6	639.2	230.1
Acceptances	459.9	631.6	19.9	0.1

nation on the Stock Exchange. The diminution totalled not less than *RM* 96 millions in October 1929.

Advances on goods have increased appreciably. At the end of October they totalled *RM* 1,692 millions, or more than three times the pre-war figure. Customers' credits with third parties, which are closely connected with advances on goods, have risen very considerably; they amounted to *RM* 1,550 millions at the end of October 1929, as against not quite *RM* 30 millions before the war.

The German acceptance business remains limited. On October 31, the principal banks had given *RM* 460 millions of acceptances as against *RM* 1,295 millions at the end of October 1913.

Contingent liabilities, which fell from *RM* 1,299 millions at the end of August 1928 to *RM* 1,002 millions at the end of February 1929, had risen by the end of May to *RM* 1,507 millions. At the end of October they had decreased to *RM* 1,096 millions again.

Long-term loans are shown unchanged at *RM* 189 millions.

The table on page 50 contains the principal figures of the most recent interim balance sheets published by all the banks regularly issuing reports, the banks being classed in four groups. The table clearly shows the respective positions of the private and public banks in Germany. Previous Reports contained similar tables based on the interim balance sheets of March 31, 1928, October 31, 1928, and May 31, 1929, respectively.

The following table shows the movements of the Reichsbank discount rate and the normal rates of the Association of Berlin Banks and Bankers (Stempelvereinigung) during the period under report; for purposes of comparison a few figures from previous years have been added.

Reichsbank discount rates and normal rates of the Association of Berlin Banks and Bankers						
Date	Reichsbank discount	Charges for accommodation on current account	Commission	Charges for accommodation plus commission	Interest on day-to-day deposits without commission	Interest spread
Annual percentage						
August 31, 1924	10	12	6	18	6	12
August 31, 1925	9	11	3	14	5	9
August 31, 1926	6	7	2.4	9.4	3	6.4
August 31, 1927	6	7	2	9	3.5	5.5
August 31, 1928	7	8	2	10	4	6
January 12, 1929	6.5	7.5	2	9.5	3.5	6
April 26, 1929 . .	7.5	8.5	2	10.5	4.5	6
June 1, 1929	7.5	9.5	2	11.5	5.5	6
June 30, 1929 . . .	7.5	8.5	2	10.5	4.5	6
November 2, 1929	7	8	2	10	4	6

From the table it can be seen that there has been no change in the accustomed relation between the Reichsbank discount rate

and the normal rates of the banks during the past year, except in June. The provisional increase in the charges of the banks for accommodation on current account from 1 to 2 per cent above the Reichsbank discount rate, which was in force during June, was in conjunction with the restrictions introduced by the Reichsbank.

h. Capital market.

The following tables, based on the publications of the Statistical Office of the Reich, show the German internal issues and German loans taken up abroad in the years 1924-1929. A number of the figures which have appeared in earlier Reports have in the interval been corrected by the Statistical Office.

The figures in the tables give the nominal amounts in the case of loans and the price of issue in the case of shares (not including issues in connection with mergers and amalgamations or contributions other than cash). Loans for conversion purposes are not included in the tables.

Issues of securities in Germany and loans taken up abroad				
Period	Issues in Germany			Foreign loans
	Bonds	Shares	Total ¹⁾	
	(in millions of reichsmarks)			
1924.....	441	148	589	1,002
1925.....	994	656	1,650	1,266
1926.....	3,433	988	4,421	1,580
1927.....	2,841	1,438	4,337	1,412
1928.....	2,905	1,339	4,258	1,464
1929 (10 months).....	1,395	896	2,310	338

¹⁾ The 1927 total of issues in Germany includes *RM* 58 millions of foreign securities issued in Germany, the 1928 total includes *RM* 14 millions and the 1929 total *RM* 19 millions of such securities.

The table on page 53 shows the monthly figures as compared with the quarterly monthly averages of previous years.

During the period under report there have been no bond issues by public undertakings. The total for issues in Germany also includes the foreign securities issued in Germany, of which there were *RM* 14 millions in November, 1928, and *RM* 19 millions in February, 1929. Since the latter date there have been no further issues of foreign securities in Germany.

As the table shows, the drop in the monthly figures for issues in Germany since February 1929 has continued. The issues of mortgage bonds and shares were chiefly affected. Bond issues by private undertakings were almost impossible throughout the whole of the year.

The causes of this stagnation on the capital market must be sought chiefly in the development on the Stock Exchange, the first

	Issues in Germany					Foreign loans
	Bonds			Shares	Total	
	Bodies of public law standing and public undertakings	Mortgage banks	Other private undertakings			
(in millions of reichsmarks)						
Monthly averages:						
3 rd quarter 1927 ...	13	107	1	83	204	223
4 th » 1927 ...	1	118	1	103	223	189
1 st » 1928 ...	95	220	12	67	394	114
2 nd » 1928 ...	95	171	28	137	431	245
3 rd » 1928 ...	9	124	32	108	273	88
4 th » 1928 ...	21	134	30	128	313	91
1 st » 1929 ...	39	152	—	119	310	77
2 nd » 1929 ...	29	90	1	113	233	25
3 rd » 1929 ...	65	64	—	55	184	2
Monthly figures:						
September, 1928 ...	16	112	77	71	276	103
October, 1928	42	143	1	120	306	34
November, 1928	15	116	—	170	315	168
December, 1928	8	142	76	95	321	71
January, 1929	34	236	—	227	497	27
February, 1929	63	115	—	77	274	155
March, 1929	19	115	—	53	187	48
April, 1929	15	140	—	124	279	1
May, 1929	—	69	—	129	198	4
June, 1929	73	61	3	85	222	70
July, 1929	55	84	1	45	185	1
August, 1929	55	62	—	76	193	2
September, 1929 ...	84	45	—	44	173	3
October, 1929	—	66	—	36	102	27

consequence of which was that the mortgage banks were unable to place any more mortgage bonds, and on the contrary were compelled on more than one occasion to support the market. The accumulation of capital by the savings banks, which is discussed in another part of the present Report, slowed down very appreciably, while the money market was in no position to supply the capital market with funds. Lastly the placing of German bonds in foreign countries, which was previously very considerable (especially in the case of mortgage bonds), was much restricted during the period under report.

With the continuous and intense demand for long-term capital—especially for the consolidation of short-term credits, the cost of which was higher than that of first mortgage credits during the greater part of the period under report,—the shortage of the supply was bound to affect the terms of issue in a sense very disadvantageous for the borrower. For example, the only loan of a private

undertaking which was concluded in June 1929, (Gewerkschaft "Zeche Heinrich") had not only to pay interest at the rate of 8 per cent, but also to offer an annual bonus of 3 per cent.

The principal loan issued in the period under report was the 7 per cent Reich Loan 1929, which was originally to have been for *RM* 500 millions, but only *RM* 183 millions were subscribed—a symptom of the unsatisfactory state of the market. *RM* 73 millions were paid up in June, and *RM* 55 millions in July and August respectively.

A number of short-term loans, only some of which are included in the above table, stand in a class by themselves.

The State of Saxony was the first to have recourse to this type of credit; it issued in June *RM* 20 millions of 8 per cent 3-year treasury certificates at 96 $\frac{3}{4}$, to be devoted mainly to the redemption of debt. The City of Cologne followed suit in August with a similar 40 million loan, the price of which was 96. In September the issues of the cities of Breslau, Frankfort a. M., Berlin and Dresden and the State of Brunswick totalled *RM* 124 millions. The 30 millions of the City of Frankfort and the 10 millions of the State of Brunswick were also 8 per cent 3-year treasury certificates at 96.

The Statistical Office of the Reich only includes bonds with a currency over three years in its statistics. The September figures of the table therefore include only the following issues of the above mentioned treasury certificates:

Breslau	<i>RM</i> 24 millions, currency	3 $\frac{1}{2}$ years,
Berlin	" 40 "	" "	4 " "
Dresden	" 20 "	" "	.. 4, 5 and 6 " "

The above treasury certificates were all issued at 95; Dresden was obliged to consent to repayment at 102.

The September issues were not very successful, although foreign countries took up a certain amount of these too. Of the three last-named loans, totalling *RM* 84 millions, only *RM* 56 millions had been subscribed by the end of the month. In the case of the Frankfort 30 million loan, only *RM* 22.8 millions had been subscribed at that date.

In view of these unfavourable results no further attempts were made by the communes to obtain credits on these lines.

At a meeting of the Deutscher Städtetag (Congress of German municipalities) on October 31, 1929, the cities adhering to this organisation (viz. the cities with a population of more than 50,000) decided to avoid as far as possible all short-term borrowing for the duration of one year from December 1, 1929. All capital expenditure not absolutely necessary is also to be avoided, and capital expenditure which is regarded as urgent is not to be incurred until the necessary long-term loans are available to cover it.

An attempt is to be made jointly with the Deutscher Sparkassen- und Giroverband during the year in question to fund communal floating debts. It is intended to use part of the increase in savings deposits for investment in communal bonds which are acceptable as collateral.

The Reichsstädtebund, to which the medium and smaller towns belong, is co-operating.

As regards the Stock Exchange, the downward movement in share prices discussed in the interim Report of July 1929, and represented by the curve in Diagram XIV, has continued.

Diagram XIV.

Weighted share index and quotations of an 8 per. cent representative mortgage bond on the Berlin Bourse.



It is unnecessary here to return to the discussion of the general causes underlying this movement. It has been particularly marked since the middle of August. The level of share prices fell at the end of November to a minimum of 124.8, a figure not reached since July 1926. More recently the fall in quotations on foreign share markets has also affected the German stock exchanges—directly in so far as the prices of internationally listed shares are concerned, indirectly through the sale of large amounts of German shares held abroad.

The factors influencing the fall in quotations were so strong, that a syndicate, formed at the end of September by a number of banks and bankers to support the market, was not able to arrest the downward movement to any appreciable extent in spite of large purchases.

As a result of the fall in quotations the yield on shares has much improved. From calculations made by the Institut für Konjunkturforschung, the yield on shares negotiated on the Berlin stock exchange, estimated on the basis of the quotations of October 31, 1929, and the dividend paid in the last business year, averaged 6.35 per cent as against 5.19 per cent in the previous year. For

some classes of shares the figure is even higher. For example, it is 7.34 percent in the case of mortgage banks, 8.02 per cent in the case of railways and tramways, and 8.13 per cent in the case of the building trade.

The quotations for fixed interest-bearing securities also show an almost continued downward tendency during the period under report. This tendency has increased owing to large sales of foreign holdings (by investment trusts) during recent months. This development is shown in the curve of an 8 per cent representative mortgage bond in Diagram XIV. The curve of yield is to be found in Diagram XII; it shows the improvement due to the set-back in quotations.

The yield amounted to 8.63 in November 1929 as against 8.29 in November 1928. This high yield is very attractive to capital in search of investment; an upward movement in the case of several bonds could be observed in November as a result; but the increase has so far been within narrow limits.

Below are the usual figures for savings deposits with the savings banks.

Savings deposits with the savings banks		
Month	Total savings deposits at the end of the month	Increase during the month
	(in millions of reichsmarks)	
August 1928	6 265.0	179.0
September 1928	6 408.3	143.3
October 1928	6 587.0	178.7
November 1928	6 767.3	180.3
December 1928	6 993.5	226.2
January 1929	7 413.9	425.7
February 1929	7 652.4	238.5
March 1929	7 825.2	172.8
April 1929	7 958.5	133.3
May 1929	7 998.9	40.4
June 1929	8 190.1	191.2
July 1929	8 316.0	125.9
August 1929	8 466.2	150.2
September 1929	8 595.7	129.5
October 1929	8 722.1	126.9

From the figures for deposits it may be seen that savings bank business has been slow to recover from the disturbance caused by the events of April and May last. The increase of *RM* 191.2 millions in June would appear to point the other way; but this amount includes *RM* 123.9 millions of revalorised deposits. Only *RM* 67.3 millions (including *RM* 2.5 millions interest) represent new deposits in June.

During the following months the increase from month to month continued to remain appreciably below the level of the previous

year, partly as a result of prevailing business conditions, partly as a result of the increased yield on other investments.

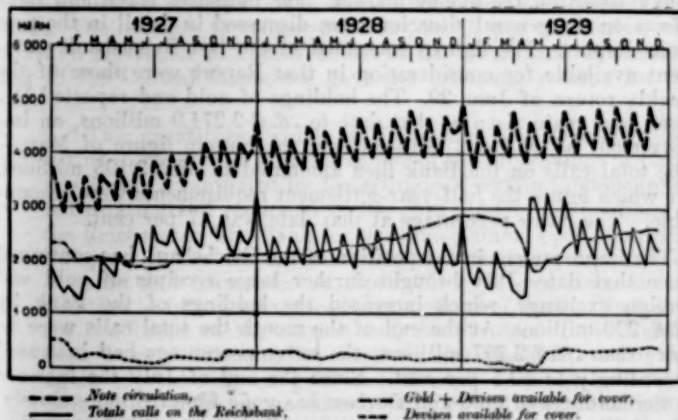
The last Report contained figures furnished by the Statistical Office of the Reich showing the position of Germany's credit supply as at April 30, 1929, with a comparison of the corresponding figures at the end of each year since 1924. From these figures it appears that the total of long-term credits taken up since the stabilisation of the currency amounted on April 30, 1929, to *R.M.* 31,084 millions, of which *R.M.* 9,116 millions represent borrowing by public bodies and *R.M.* 21,968 millions borrowing by private enterprise, whilst *R.M.* 5,821 millions or 18.73 per cent of the total credits were taken in the form of foreign loans or mortgage bonds sold abroad. The short-term indebtedness at the same date, in so far as it has been estimated, was put at *R.M.* 24,099 millions. As the Statistical Office has not published new figures, reference is made for further details to the tables contained in the previous Report.

i. Discount and credit policy of the Reichsbank.

As revealed by Diagram XV and the Annexes B, C and L, there have been important changes in the position of the Reichsbank during the period under report, which have forced the Bank to have recourse to a number of measures, some of them of far-reaching effect.

Diagram XV.

Note circulation, note cover and credits of the Reichsbank.



1928 had been a calm year for the Reichsbank. The calls upon the Bank remained more or less at the same level throughout the greater part of the year, and it was not until towards the end that they began to fall off, whilst the gold and foreign exchange holdings rose considerably, especially during the last six months.

1929 presents a very different picture.

After the turn of the year at first the decrease in the calls upon the Bank continued, and the same tendency persisted for some time after the Reichsbank had reduced its discount rate from 7 to $6\frac{1}{2}$ per cent on January 12, 1929, the credits accorded by the Bank reaching the lowest figure (*R.M.* 1,509 millions) on February 23.

In the meantime the foreign exchanges had begun to move upwards. At the beginning of February the dollar reached a level which obliged the Reichsbank to draw upon its foreign exchange holdings, and before long upon its gold stocks also, in order to meet the demand for Devisen.

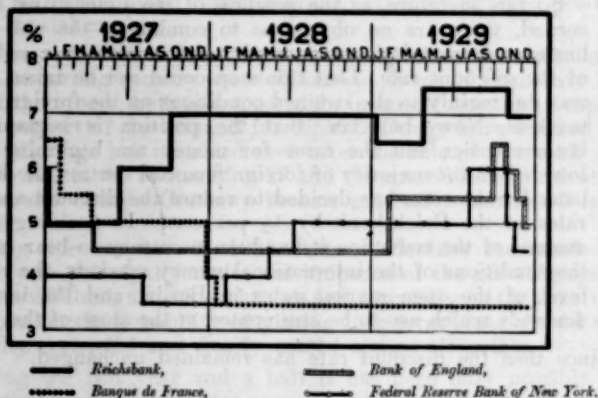
The downward movement remained at first within relatively narrow limits, but became much more marked at the beginning of April. On April 23, *R.M.* 663 millions of gold and reported Devisen had been lost to the Bank since the end of January. The holdings of other Devisen were also nearly exhausted. On April 25, the discount rate was raised accordingly by a whole point to $7\frac{1}{2}$ per cent: but this measure could not have much effect on the movement in process, in which psychological factors as well as economic influences were playing their part. During the last week of April recourse to the Bank had increased by no less than *R.M.* 832 millions, the gold and Devisen holdings had fallen by a further *R.M.* 228 millions, and on April 30, the cover percentage was down to 43 per cent. The position was rapidly becoming more and more difficult, and at the beginning of May the Reichsbank decided on a policy of far-reaching restriction of credits. Its action quickly influenced the exchanges in the desired direction, be it at the price of a passing heavy strain on the money market. The measures taken and their effects on the general situation were discussed in detail in the previous Report. The figures contained in the last Reichsbank statement available for consideration in that Report were those of the weekly return of June 29. The holdings of gold and reported Devisen had again risen at that date to *R.M.* 2,271.9 millions, an improvement of *R.M.* 452 millions over the bottom figure of May 7. The total calls on the Bank then amounted to *R.M.* 3,195 millions, for which figure the half-year-settlement requirements were responsible. The cover percentage at that date was 47 per cent.

The improvement in the position of the Reichsbank has continued since that date. July brought further large receipts of gold and foreign exchange, which increased the holdings of the Bank by *R.M.* 220 millions. At the end of the month the total calls were no more than *R.M.* 2,797 millions; the cover percentage had increased accordingly to 52.5 per cent. Since the end of July the increase in the holdings of gold and Devisen has gone forward more slowly. The aggregate increase since then nevertheless amounted according to the weekly return of December 14 to *R.M.* 155.7 millions. The volume of calls on the Bank on the other hand was again lower, though not to any great extent. The cover percentage on December 14, was 57.5 per cent.

The note circulation was comparatively little affected by the changes in the various asset items. Diagram XV shows that the

increase, which in 1928 was much less than in 1927, was smaller still in 1929.

Diagram XVI.
Discount rates.



The steady improvement in the position of the Reichsbank made it possible to follow the example of foreign banks of issue and reduce the discount rate in Germany, when once the collapse of the speculation on foreign stock exchanges had had its effect on the international money markets in the shape of a pronounced liquidity of funds. The decision to reduce the rate—by $\frac{1}{2}$ per cent only—was taken on November 2. The President of the Reichsbank at the meeting of the Central Committee gave the following reasons for the step:

“The uneasiness, which was occasioned in Germany last spring in connection with the course of the proceedings in Paris, which was accentuated by the attitude of certain foreign circles, led to a marked reduction in the gold and Devisen holdings of the Reichsbank. The Bank for this reason found itself compelled in spite of the diminished business activity to increase its discount and loan rates on April 25, by 1 per cent, and in addition to introduce vigorous restrictions of credit. Since then the conditions of the market and the position of the Reichsbank have fundamentally changed. The Bank has been able again to replenish its gold and Devisen holdings, which on October 31, 1929, amounted to *R.M.* 2,588 millions, as compared with 1,991 millions on April 30, 1929, and 2,696 millions on October 31, 1928. The calls on the Reichsbank for credit have also diminished: the total of German bills has fallen from *R.M.* 2,734 millions on April 30, to 2,119 millions on October 31, 1929. The note circulation of the Reichsbank, the Rentenbank and the other banks of issue, as also the whole volume of media of payment in circulation, is approximately the same as last

year. The cover for the Reichsbank notes in circulation in the form of gold and Devisen available for cover has improved from 43 per cent on April 30, 1929, to 53.6 per cent on October 31, 1929.

So far, therefore, as the position of the Reichsbank is concerned, there are no objections to coming to the aid of the business community's ever-pressing difficulties by a reduction of the discount rate. That this step could not be taken before was due mainly to the strained conditions on the foreign money markets. Now, however, that the position is beginning to become easier and the rates for money are beginning to be lowered on the majority of foreign financial centres, the Reichsbank-Direktorium has decided to reduce the discount and loan rates of the Reichsbank by $\frac{1}{2}$ per cent. In deciding on the amount of the reduction it has been necessary to bear in mind the conditions of the international money markets, the relative level of the open market rates in Berlin, and the increased demands which are to be anticipated at the close of the year."

Since then the discount rate has remained unchanged.

j. Gold and Devisen policy of the Reichsbank.

As mentioned on page 16, there is up to the present no legal obligation on the Reichsbank to exchange its notes for gold coin, gold bars or Devisen at its option.

As stated in the previous Report, the President of the Reichsbank addressed a letter on June 6, 1929, to the Chairman of the Committee of Experts in Paris (published as Annex II to the Experts' Report) in which he stated that it was his intention as President of the Reichsbank on or before the coming into force of the Experts' Plan to approach the Directorate and the General Council of the Reichsbank with a view to the adoption of the joint resolution for which the Bank Law provides for the putting in force of the legal obligation to redeem the notes on presentation.

The letter in question further observed that "the question (has) only formal importance, as the Reichsmark is *de facto* on a gold basis, and has proved itself since its creation as stable a currency as any other in the world".

In fact the Reichsbank, as was shown once again in April and May, has adhered consistently to the principle, which it has always in practice accepted, of meeting any demand to an unlimited extent at rates below the gold export points. To purchasers it only gives Devisen. The gold shipments, which are a consequence of the foreign exchange position, are made at the instance of the Bank itself, and are for the purpose of replenishing the foreign exchange holdings.

As to the purchase of gold, the Bank continues to be prepared to take the metal at any and all of its branches at the minimum price of *ℛ.ℳ* 2,784 fixed in the Bank Law.

Concluding observations.

The dominant tendency in the business situation of Germany during the period under report was the extremely strained position on the capital market.

The reasons which have made Germany since the inflation a capital-importing country are well known. Some of them have lost part of their force, both in respect of the internal formation of capital and in respect of the demand for capital. Others have not and the capital shortage has remained even after the rate of interest began again to rise in the course of 1927 and the consolidation of floating debt in and outside Germany became gradually more and more difficult.

During the summer of 1928 these difficulties increased appreciably as principally under the influence of the growing speculation on the foreign stock exchanges and especially on the American share market the possibility of placing long-term loans abroad was markedly restricted and finally ceased almost altogether.

During the last year and a half it has been only possible accordingly to meet new capital requirements, over and above current internal savings, by still further increasing the short-term indebtedness (internal and external) already high at the beginning of the period. The trade balance, it is true, has gradually improved; but there is no question as yet of equilibrium in the balance of payments.

The inevitable result of this severe tension was that the interest level, for long-term credits too, continued to rise, and the rates of fixed interest bearing securities dropped considerably. This tension was reflected also in the continuous decline on the share market.

The pressure on the money and capital markets has been greatly intensified by the volume of the credit requirements of public authorities and the highly unfavourable cash position of a large number of public bodies, especially the Reich and a number of municipalities. This problem has recently entered on an acute phase in connection with the difficulties which have arisen over the end of December settlement, and the necessity of immediate action on a comprehensive scale has been brought home to the public.

At the moment of this Report going to press various steps have already been taken which are designed to alleviate the position, and other measures are in contemplation.

It is possible that, as in former years, there will be a certain easing of the money market in the opening weeks of the new year. But such ease will not be able to conceal the fact that, unless decisive action is taken in due course to relieve the money market from the pressure of the public debts, the market is bound to feel the disadvantages of this situation further, both in respect of its elasticity and in respect of the interest level. Moreover, such decisive action will at the same time contribute to increase the inclination of foreign countries to place further capital at the disposal of Germany and so to have a favourable effect on credit conditions.

The fact that the German money market in November and December has shown so much less relaxation of tension than other financial centres is to be explained not only by the excessive amount of floating debts, but also by the fact that Germany (unlike other countries, the money markets of which were more elastic) has had no speculation to speak of in stock exchange securities during the last few months. Germany has accordingly escaped a stock exchange crisis; but on the other hand she has had no liquid funds set free as in other countries as a result of the liquidation of the crisis. At the same time it is obvious that the great set-back of quotations on foreign stock exchanges has necessarily affected prices on the Berlin Bourse.

It is gratifying to note that, in spite of the pressure of credit difficulties on the economic life of the country, the producing capacity of Germany was in general unaffected. The aggregate production of goods remained at a level which is in general not below that of the past two years: but the growth in the unemployment figures shows that only a section of the increase in the working-class population could be absorbed into the machinery of production.

It is a satisfactory feature that the import of raw materials and partly manufactured articles was maintained at the comparatively high level reached in 1927.

The explanation of the fact that the figures of production remained at a satisfactory level is to be found mainly in the expansion of exports, especially of finished articles, particularly machinery and other means of production. The total export of finished articles during the first eleven months of the year 1929 amounted to 9,058 million reichsmarks, as compared with 7,962 and 6,904 million reichsmarks during the same period of 1928 and 1927. The favourable business situation in the most important markets no doubt contributed to this marked though to a certain extent enforced development.

If the above considerations go to show that in general the energy and activity of the German national economy have been able to overcome the difficulties on the capital market, it is nevertheless apparent from the increase in the number of bankruptcies and compulsory settlements and other indications that the credit difficulties have not been without serious consequences.

It is more difficult than ever before to forecast the developments of the coming months.

Both on the world market and in the price level of commodities changes are possible which may have a considerable effect on the German business situation. If such changes occur, they are likely to be accompanied on the other hand by a further easing of the international capital market and increased credit possibilities abroad. The prices of commodities already show a clear set-back.

As regards the Reichsbank, it was quick to recover wholly from the events of the end of April and the beginning of May.

The gold and devisa holdings are again at a level which is *R.M.* 818.7 millions above the minimum figure of May 7, and

only *RM* 223.2 millions below the very high figures of last year. The demands on the Bank remain within moderate limits, and the cover percentage was not less than 50 per cent on any day during recent end-of-the-month settlements.

The note circulation in 1929 shows only a slight increase and the total circulation is practically stable. The events of the spring had no notable influence on the figures of the total circulation.

Once again it can be recorded that the situation of the Reichsbank is in every respect sound.

G. W. J. BRUINS.

Annex A.

General Council of the Reichsbank

Dr. Hjalmar Schacht, President,	Dr. Louis Hagen,
Sir Charles Addis,	Franz von Mendelssohn,
Prof. Dr. G. Bachmann,	Hans Remshard,
Prof. Dr. G. W. J. Bruins,	Charles Sergent,
A. Callens,	Franz Urbig,
Carlo Feltrinelli,	Max M. Warburg,
Gates W. McGarrah,	Oscar Wassermann.

Commissioner of the Reichsbank

Prof. Dr. G. W. J. Bruins.

Managing Board of the Reichsbank

Dr. Hjalmar Schacht, President,	Dr. W. Vocke,
F. Dreyse, Vice President,	Dr. C. Friedrich,
A. Budezies,	R. Fuchs,
Dr. B. Bernhard,	P. Schneider
O. Seiffert,	

Annex B.

Means of payment in circulation¹
(in millions of reichsmarks)

Date	Reichs- bank notes in circu- lation	Notes of the Private Banks of Issue in circu- lation	Renten- bank notes in circu- lation	Divisional coins in circu- lation	Total circu- lation of means of payment
October 15, 1924..	1,396.7	—	1,790.4	352.3	3,539.4
August 31, 1925 ..	2,594.6	186.5	1,712.6	512.1	5,005.8
August 31, 1926 ..	3,225.1	186.6	1,260.0	666.3	5,320.0
August 31, 1927 ..	3,934.7	184.7	1,007.2	740.2	5,866.8
August 31, 1928 ..	4,673.0	186.6	570.1	909.3	6,339.0
September 7, 1928 .	4,453.7	184.2	546.3	912.6	6,096.8
September 15, 1928	4,256.4	184.2	550.5	908.4	5,899.5
September 22, 1928	4,100.1	183.3	540.9	903.7	5,728.0
September 29, 1928	4,830.2	188.1	570.3	934.1	6,522.6
October 6, 1928...	4,592.1	184.9	542.0	936.2	6,255.2
October 15, 1928...	4,293.8	184.6	521.5	930.6	5,930.6
October 23, 1928...	4,034.7	184.5	498.5	919.2	5,636.9
October 31, 1928...	4,672.0	188.6	542.7	940.1	6,343.4
November 7, 1928.	4,410.3	184.0	512.8	940.8	6,047.9
November 15, 1928	4,172.7	184.2	514.3	930.1	5,801.4
November 23, 1928	4,043.3	183.3	501.3	926.4	5,654.2
November 30, 1928	4,724.0	187.7	524.3	949.5	6,385.6
December 7, 1928.	4,554.9	186.5	503.3	953.3	6,198.0
December 15, 1928	4,424.7	189.5	515.7	949.8	6,079.6
December 22, 1928	4,481.5	189.0	514.4	960.7	6,145.6
December 31, 1928	4,930.1	187.3	529.9	967.4	6,614.7
January 7, 1929...	4,484.2	180.6	495.1	955.4	6,115.3
January 15, 1929...	4,080.4	174.4	480.0	932.9	5,667.8
January 23, 1929...	3,809.3	173.8	463.7	917.3	5,364.0
January 31, 1929...	4,453.9	181.9	512.8	936.6	6,085.2
February 7, 1929...	4,236.1	177.0	475.7	937.6	5,826.4
February 15, 1929.	4,077.3	178.7	479.1	933.8	5,668.8
February 23, 1929.	3,902.1	179.3	462.0	929.1	5,472.5
February 28, 1929.	4,553.0	183.5	508.2	953.1	6,197.8
March 7, 1929....	4,337.7	179.6	476.9	953.9	5,948.1
March 15, 1929....	4,165.8	180.7	473.4	944.6	5,764.4
March 23, 1929....	4,033.0	176.9	465.2	936.9	5,612.0
March 28, 1929....	4,822.0	188.7	503.6	971.0	6,485.4
April 6, 1929.....	4,446.7	182.4	465.5	961.6	6,056.2
April 15, 1929....	4,145.2	178.1	455.6	945.9	5,724.8
April, 23 1929....	3,918.9	178.2	441.4	927.6	5,466.1
April 30, 1929....	4,631.5	185.1	489.1	950.4	6,256.1
May 7, 1929	4,442.4	181.7	455.9	956.6	6,036.6
May 15, 1929	4,167.3	181.2	449.0	943.3	5,740.9
May 23, 1929	4,006.2	176.9	434.7	933.5	5,551.2
May 31, 1929	4,606.4	177.9	490.8	982.6	6,257.7

¹) For the weekly figures from October 15, 1924 until August 31, 1928 vide the relative Annexes of the previous Reports.

Date	Reichs- bank notes in circu- lation	Notes of the Private Banks of Issue in circu- lation	Renten- bank notes in circu- lation	Divisional coins in circu- lation	Total circu- lation of means of payment
June 7, 1929	4,372.5	175.5	456.9	969.3	5,974.2
June 15, 1929	4,191.8	176.2	452.5	955.4	5,776.0
June 22, 1929	4,068.7	173.9	435.5	946.3	5,624.3
June 29, 1929	4,838.6	180.5	460.4	977.9	6,457.4
July 6, 1929	4,610.0	179.8	438.7	975.6	6,204.1
July 15, 1929	4,347.5	179.6	418.8	961.4	5,907.3
July 23, 1929	4,091.1	176.2	405.9	947.0	5,620.1
July 31, 1929	4,725.5	179.2	434.1	970.5	6,309.3
August 7, 1929 ...	4,472.1	177.3	405.0	967.3	6,021.7
August 15, 1929 ..	4,291.7	178.7	408.6	957.6	5,836.6
August 23, 1929 ..	4,153.1	177.4	407.6	951.8	5,690.0
August 31, 1929 ..	4,897.3	181.9	431.7	990.1	6,501.0
September 7, 1929	4,602.6	178.9	405.0	982.3	6,168.8
September 14, 1929	4,411.7	180.1	403.0	972.2	5,967.0
September 23, 1929	4,202.0	178.2	390.4	963.1	5,733.7
September 30, 1929	4,914.3	181.1	432.7	1,007.7	6,535.8
October 7, 1929 ..	4,686.8	179.6	401.0	994.6	6,262.0
October 15, 1929 .	4,349.5	177.8	384.9	977.9	5,890.1
October 23, 1929 .	4,110.5	176.1	367.1	962.4	5,616.1
October 31, 1929 .	4,833.0	183.3	407.1	1,019.8	6,443.2
November 7, 1929	4,550.4	180.0	377.3	985.4	6,093.1
November 15, 1929	4,346.4	181.2	384.4	972.4	5,884.4
November 23, 1929	4,162.5	179.0	367.6	963.6	5,672.7
November 30, 1929	4,916.5	182.6	394.1	1,022.3	6,515.5
December 7, 1929 .	4,684.0	181.4	368.7	986.1	6,220.3
December 14, 1929	4,588.9	182.3	376.7	979.2	6,127.1

Annex C.

Cover for Reichsbank notes¹⁾

(in thousands of reichsmarks)

Date	Cover according to § 28a			Cover according to § 28b	Total cover
	Gold holdings	Devisen available for cover	Total	Bills and cheques	
October 15, 1924 ..	613,625	204,541	818,166	2,153,943	2,972,109
August 31, 1925 ...	1,138,361	357,458	1,495,819	1,764,980	3,260,799
August 31, 1926 ...	1,492,818	497,606	1,990,424	1,251,509	3,241,933
August 31, 1927 ...	1,852,671	157,309	2,009,980	2,661,635	4,671,615
August 31, 1928 ...	2,248,130	194,908	2,443,038	2,603,908	5,046,946
September 7, 1928..	2,269,696	180,046	2,449,742	2,389,712	4,839,454
September 15, 1928	2,310,133	191,247	2,501,380	2,116,391	4,617,771
September 22, 1928	2,335,806	187,804	2,523,610	2,034,722	4,558,332
September 29, 1928	2,396,971	179,355	2,576,326	2,576,065	5,152,391
October 6, 1928 ...	2,487,140	151,894	2,639,034	2,345,807	4,984,841
October 15, 1928 ..	2,508,671	149,633	2,658,304	2,062,329	4,720,633
October 23, 1928 ..	2,510,710	163,189	2,673,899	1,963,738	4,637,637
October 27, 1928 ..	2,532,815	163,257	2,696,072	2,348,280	5,044,352
November 7, 1928..	2,539,923	168,126	2,708,049	2,182,866	4,890,915
November 15, 1928..	2,563,545	185,600	2,749,145	1,879,131	4,628,276
November 23, 1928..	2,573,480	190,462	2,763,942	1,759,053	4,522,995
November 30, 1928..	2,623,494	173,059	2,796,553	2,211,490	5,008,043
December 7, 1928..	2,652,142	178,970	2,831,112	2,044,029	4,875,141
December 15, 1928..	2,690,356	170,737	2,861,093	1,890,466	4,751,559
December 22, 1928..	2,729,283	158,224	2,887,507	1,933,514	4,821,021
December 31, 1928..	2,729,331	155,273	2,884,604	2,627,357	5,511,961
January 7, 1929 ...	2,729,345	157,377	2,886,722	2,101,093	4,987,815
January 15, 1929 ..	2,729,282	156,208	2,885,490	1,657,162	4,542,652
January 23, 1929 ..	2,729,176	163,474	2,892,650	1,548,427	4,441,077
January 31, 1929 ..	2,729,182	152,216	2,881,398	1,774,054	4,655,452
February 7, 1929 ..	2,729,111	140,295	2,869,406	1,707,182	4,576,588
February 15, 1929..	2,728,910	100,354	2,829,264	1,446,569	4,275,833
February 23, 1929..	2,728,962	99,134	2,828,096	1,461,250	4,289,346
February 28, 1929..	2,728,933	90,386	2,819,319	1,876,419	4,695,738
March 7, 1929.....	2,682,829	127,938	2,810,767	1,749,409	4,560,176
March 15, 1929....	2,646,874	67,769	2,714,643	1,715,214	4,429,857
March 23, 1929....	2,646,946	66,970	2,713,916	1,672,868	4,386,784
March 28, 1929....	2,682,702	35,956	2,718,658	2,295,787	5,014,445
April 6, 1929.....	2,579,525	33,695	2,613,220	2,148,390	4,761,610
April 15, 1929.....	2,429,866	23,674	2,453,540	2,120,914	4,574,454
April 23, 1929.....	2,178,898	39,936	2,218,834	2,239,354	4,458,188
April 30, 1929.....	1,891,575	99,372	1,990,947	2,790,227	4,781,174

¹⁾ For the weekly figures from October 15, 1924 until August 31, 1928 vide the relative Annexes of the previous Reports.

Date	Cover according to § 28 a			Cover according to § 28 b	Total cover
	Gold holdings	Devisen available for cover	Total	Bills and cheques	
May 7, 1929	1,765,619	53,580	1,819,199	2,783,468	4,602,667
May 15, 1929	1,764,785	56,085	1,820,870	2,568,458	4,389,328
May 23, 1929	1,764,596	146,455	1,911,051	2,403,439	4,314,490
May 31, 1929	1,764,529	299,147	2,063,676	2,860,039	4,923,715
June 7, 1929	1,764,424	308,548	2,072,972	2,758,704	4,831,676
June 15, 1929	1,764,382	318,515	2,082,897	2,555,501	4,638,398
June 22, 1929	1,764,327	330,746	2,095,073	2,427,080	4,522,153
June 29, 1929	1,911,384	360,526	2,271,910	2,843,048	5,114,958
July 6, 1929	1,994,459	368,928	2,363,387	2,688,138	5,051,525
July 15, 1929	2,036,240	351,902	2,388,142	2,399,878	4,788,020
July 23, 1929	2,085,323	340,788	2,426,111	2,130,753	4,556,864
July 31, 1929	2,148,333	333,882	2,482,215	2,621,238	5,103,453
August 7, 1929	2,148,318	330,723	2,479,041	2,413,564	4,892,605
August 15, 1929 ...	2,150,264	302,661	2,452,925	2,157,312	4,610,237
August 23, 1929 ...	2,177,022	312,213	2,489,235	2,020,423	4,509,658
August 31, 1929 ...	2,183,440	308,059	2,491,499	2,634,523	5,126,022
September 7, 1929 .	2,183,343	320,296	2,503,639	2,472,576	4,976,215
September 14, 1929	2,186,351	322,757	2,509,108	2,239,648	4,748,756
September 23, 1929	2,192,006	326,631	2,518,637	2,116,670	4,635,307
September 30, 1929	2,212,044	335,139	2,547,183	2,528,284	5,075,467
October 7, 1929 ...	2,211,960	349,566	2,561,526	2,408,871	4,970,397
October 15, 1929 ..	2,211,819	352,267	2,564,086	2,082,373	4,646,459
October 23, 1929 ..	2,218,953	353,885	2,572,838	1,981,491	4,554,329
October 31, 1929 ..	2,229,123	358,960	2,588,083	2,449,983	5,038,066
November 7, 1929..	2,229,010	366,665	2,595,675	2,319,469	4,915,144
November 15, 1929.	2,234,039	369,017	2,603,056	2,060,235	4,663,291
November 23, 1929.	2,236,223	389,669	2,625,892	1,917,762	4,543,654
November 30, 1929.	2,240,352	397,223	2,637,575	2,367,930	5,005,505
December 7, 1929..	2,244,653	398,784	2,643,437	2,263,037	4,906,474
December 14, 1929.	2,247,145	390,781	2,637,926	2,090,752	4,728,678

Annex D.

**Percentual cover for Reichsbank notes
according to § 28a¹⁾**

Date	Cover in gold and Devisen %	Cover only in gold %
Average of the period October 15, 1924 to December 31, 1924	55.1	41.3
Average of the year 1925	60.4	45.8
Average of the year 1926	67.0	52.7
Average of the year 1927	57.4	51.7
Average of the year 1928	56.9	51.7
August 31, 1928	52.3	48.1
September 7, 1928	55.0	51.0
September 15, 1928	58.8	54.3
September 22, 1928	61.6	57.0
September 29, 1928	53.3	49.6
October 6, 1928	57.5	54.2
October 15, 1928	61.9	58.4
October 23, 1928	66.3	62.2
October 31, 1928	57.7	54.2
November 7, 1928	61.4	57.6
November 15, 1928	65.9	61.4
November 23, 1928	68.4	63.6
November 30, 1928	59.2	55.5
December 7, 1928	62.2	58.2
December 15, 1928	64.7	60.8
December 22, 1928	64.4	60.9
December 31, 1928	58.5	55.4
January 7, 1929	64.4	60.9
January 15, 1929	70.7	66.9
January 23, 1929	75.9	71.6
January 31, 1929	64.7	61.3
February 7, 1929	67.7	64.4
February 15, 1929	69.4	66.9
February 23, 1929	72.5	69.9
February 28, 1929	61.9	59.9
March 7, 1929	61.8	61.8
March 15, 1929	65.2	63.5
March 23, 1929	67.3	65.6
March 28, 1929	56.4	55.6
April 6, 1929	58.8	58.0
April 15, 1929	59.2	58.6
April 23, 1929	56.6	55.6
April 30, 1929	43.0	40.8

¹⁾ For the weekly figures from October 15, 1924 until August 31, 1928 vide the relative Annexes of the previous Reports.

Date	Cover in gold and Devisen %	Cover only in gold %
May 7, 1929.....	41.0	39.7
May 15, 1929.....	43.7	42.3
May 23, 1929.....	47.7	44.0
May 31, 1929.....	44.8	38.3
June 7, 1929.....	47.4	40.4
June 15, 1929.....	49.7	42.1
June 22, 1929.....	51.5	43.4
June 29, 1929.....	47.0	39.5
July 6, 1929.....	51.3	43.3
July 15, 1929.....	54.9	46.8
July 23, 1929.....	59.3	51.0
July 31, 1929.....	52.5	45.5
August 7, 1929.....	55.4	48.0
August 15, 1929.....	57.2	50.1
August 23, 1929.....	59.9	52.4
August 31, 1929.....	50.9	44.6
September 7, 1929.....	54.4	47.4
September 14, 1929.....	56.9	49.6
September 23, 1929.....	59.9	52.2
September 30, 1929.....	51.8	45.0
October 7, 1929.....	54.7	47.2
October 15, 1929.....	59.0	50.9
October 23, 1929.....	62.6	54.0
October 31, 1929.....	53.6	46.1
November 7, 1929.....	57.0	49.0
November 15, 1929.....	59.9	51.4
November 23, 1929.....	63.1	53.7
November 30, 1929.....	53.6	45.6
December 7, 1929.....	56.4	47.9
December 14, 1929.....	57.5	49.0

Annex E.

**Index numbers of wholesale prices for Germany,
England and the United States**

(1913 = 100)

Month	Germany (Stat. Office of the Reich)	England (Board of Trade)	United States (Bureau of Labor Statistics)
1926			
January	135.8	151.3	156.0
February	134.3	148.8	155.0
March	133.1	144.4	151.5
April	132.7	143.6	151.1
May	132.3	144.6	151.7
June	131.9	146.9	152.3
July	133.1	149.1	150.7
August	134.0	149.9	149.2
September	134.9	150.9	150.5
October	136.2	152.1	149.7
November	137.1	152.4	148.1
December	137.1	146.1	147.2
1927			
January	135.9	143.6	146.9
February	135.6	142.6	146.4
March	135.0	140.6	145.3
April	134.8	139.8	144.2
May	137.1	141.1	144.1
June	137.9	141.8	143.7
July	137.6	141.1	144.6
August	137.9	140.9	146.6
September	139.7	142.1	149.3
October	139.8	141.4	150.1
November	140.1	141.1	149.5
December	139.6	140.4	149.1
1928			
January	138.7	141.1	145.8
February	137.9	140.3	145.9
March	138.5	140.8	145.3
April	139.5	142.9	147.4
May	141.2	143.6	149.2
June	141.3	142.6	147.7
July	141.6	141.1	148.7
August	141.5	139.3	149.6
September	139.9	137.6	151.5
October	140.1	137.9	148.0
November	140.3	137.9	146.3
December	139.9	138.3	146.3
1929			
January	138.9	138.3	147.1
February	139.3	138.4	146.3
March	139.6	140.1	147.5
April	137.1	138.8	146.5
May	135.5	135.8	144.9
June	135.1	135.6	145.9
July	137.8	137.4	148.3
August	138.1	135.8	147.8
September	138.1	135.8	147.5
October	137.2	136.1	145.7
November	135.5		

Annex F.

Index numbers of German wholesale prices

(Statistical Office of the Reich)

(1913 = 100)

Month	General index	Agricultural products	Industrial raw materials and partly-manufactured goods	Industrial finished goods
1926				
January	135.8	122.3	134.4	158.0
February	134.3	120.9	132.7	157.1
March	133.1	119.8	131.2	156.0
April	132.7	121.5	129.6	154.3
May	132.3	122.5	128.6	152.5
June	131.9	124.0	127.6	149.9
July	133.1	128.7	128.4	146.5
August	134.0	131.8	128.9	145.1
September	134.9	134.1	129.9	144.4
October	136.2	139.7	128.5	143.9
November	137.1	142.8	128.3	143.5
December	137.1	143.7	128.4	142.3
1927				
January	135.9	140.3	128.8	141.6
February	135.6	139.1	129.3	141.6
March	135.0	136.0	130.3	142.0
April	134.8	135.2	129.9	143.0
May	137.1	139.3	131.2	144.3
June	137.9	139.9	131.6	146.0
July	137.6	137.5	132.2	147.1
August	137.9	136.8	133.0	148.3
September	139.7	138.9	134.1	150.7
October	139.8	137.7	134.0	152.9
November	140.1	137.3	134.0	154.6
December	139.2	134.1	134.2	155.7
1928				
January	138.7	132.2	134.4	156.1
February	137.9	130.1	133.6	156.8
March	138.5	131.3	133.5	157.3
April	139.5	133.5	133.8	157.6
May	141.2	135.9	135.3	158.4
June	141.3	136.0	135.0	159.1
July	141.6	136.6	135.1	159.6
August	141.5	137.6	134.3	159.5
September	139.9	134.2	133.5	159.5
October	140.1	134.8	133.4	160.0
November	140.3	135.2	133.5	159.9
December	139.9	134.1	134.1	159.5
1929				
January	138.9	131.7	134.0	158.8
February	139.3	133.9	133.6	158.2
March	139.6	133.7	134.3	158.0
April	137.1	128.2	133.1	157.8
May	135.5	125.8	131.3	157.5
June	135.1	124.7	131.5	157.5
July	137.8	132.4	131.3	157.3
August	138.1	132.6	131.5	157.5
September	138.1	132.6	131.6	157.2
October	137.2	131.7	131.9	156.6
November	135.5	128.4	129.9	156.5

Annex G.

**Index numbers of cost of living for Germany,
England and the United States**

Month	Germany, Stat. Office of the Reich (1913/14 = 100)	England, Ministry of Labour Gazette (July 1914 = 100)	United States, Nat. Industr. Confer. Board (July 1914 = 100)
1926			
January	139.3	173	170
February	138.8	172	170
March	138.3	168	169
April	139.6	167	168
May	139.9	168	168
June	140.5	170	167
July	142.4	170	166
August	142.5	172	165
September	142.0	174	167
October	142.2	179	167
November	143.6	179	168
December	144.3	175	168
1927			
January	144.6	172	167
February	145.4	171	165
March	144.9	165	164
April	146.4	164	164
May	146.5	163	164
June	147.7	166	165
July	150.0	164	162
August	146.6	165	162
September	147.1	167	163
October	150.2	169	164
November	150.6	169	164
December	151.3	168	164
1928			
January	150.8	166	163
February	150.6	164	162
March	150.6	164	161
April	150.7	164	161
May	150.6	165	162
June	151.4	165	161
July	152.6	165	161
August	153.5	165	161
September	152.3	166	163
October	152.1	167	163
November	152.3	168	163
December	152.7	167	162
1929			
January	153.1	165	161
February	154.4	166	161
March	156.5	162	160
April	153.6	161	159
May	153.5	160	159
June	153.4	161	160
July	154.4	163	162
August	154.0	164	163
September	153.6	165	163
October	153.5	167	
November	153.0		

Annex H.

Germany's imports and exports
(Corrected figures)

Month	Imports	Exports	Deliveries in kind under the Experts' Plan	Total exports (column 3 and 4)	+ Surplus — Deficit	
					columns 2 and 3	columns 2 and 5
					in millions of reichsmarks	
1	2	3	4	5	6	7
1924						
January	618.9	520.9	—	—	— 98.0	—
February	775.8	556.3	—	—	— 219.5	—
March	738.9	547.5	—	—	— 191.4	—
April	855.0	572.9	—	—	— 282.1	—
May	935.8	606.4	—	—	— 329.4	—
June	776.7	566.2	—	—	— 210.5	—
July	586.9	665.5	—	—	+ 78.6	—
August	494.4	681.6	—	—	+ 187.2	—
September	670.9	654.1	—	—	— 16.8	—
October	874.0	717.0	—	—	— 157.0	—
November	1,039.9	736.7	—	—	— 323.2	—
December	1,219.9	835.0	—	—	— 384.9	—
1925						
January	1,209.8	706.4	—	—	— 503.4	—
February	1,014.3	639.7	—	—	— 374.6	—
March	970.7	719.0	—	—	— 251.7	—
April	929.8	680.8	—	—	— 249.0	—
May	934.1	739.7	—	—	— 194.4	—
June	945.2	697.0	—	—	— 248.2	—
July	1,081.2	754.9	—	—	— 326.3	—
August	1,112.5	736.5	—	—	— 376.0	—
September	994.7	789.4	—	—	— 205.3	—
October	1,014.6	858.1	—	—	— 156.5	—
November	809.2	802.9	—	—	— 6.3	—
December	727.9	806.0	—	—	+ 78.1	—
1926						
January	686.0	807.3	—	—	+ 121.3	—
February	642.1	794.6	—	—	+ 152.5	—
March	625.9	936.9	—	—	+ 311.0	—
April	698.1	791.0	—	—	+ 92.9	—
May	685.5	739.8	—	—	+ 54.3	—
June	770.0	769.8	—	—	— 0.2	—
July	899.8	832.7	—	—	— 67.1	—
August	897.2	843.0	—	—	— 54.2	—
September	806.2	845.0	—	—	+ 38.8	—
October	966.7	887.8	—	—	— 78.9	—
November	974.2	882.4	—	—	— 91.8	—
December	1,038.7	829.9	—	—	— 208.8	—

Month	Imports	Exports	Deliveries in kind under the Experts' Plan	Total exports (column 3 and 4)	+ Surplus — Deficit	
					columns 2 and 3	columns 2 and 5
					in millions of reichsmarks	
1	2	3	4	5	6	7
1927						
January	1,060.4	804.0	29.9	833.9	— 256.4	— 226.5
February	1,059.4	761.3	44.6	805.9	— 298.1	— 253.5
March	1,052.4	847.5	60.4	907.9	— 204.9	— 144.5
April	1,061.2	805.1	36.2	841.3	— 256.1	— 219.9
May	1,135.8	845.6	47.1	892.7	— 290.2	— 243.1
June	1,157.9	758.3	38.3	796.6	— 399.6	— 363.3
July	1,235.8	859.3	45.0	904.3	— 376.5	— 331.5
August	1,118.4	880.5	50.7	931.2	— 237.9	— 187.2
September	1,133.6	946.6	56.0	1,002.6	— 187.0	— 131.0
October	1,202.9	976.2	59.4	1,035.6	— 226.7	— 167.3
November	1,246.3	926.5	57.9	984.4	— 313.8	— 261.9
December	1,228.0	968.2	50.2	1,018.4	— 259.8	— 209.6
1928						
January	1,316.3	874.8	53.5	928.3	— 441.5	— 388.0
February	1,209.6	956.1	52.4	1,008.5	— 253.5	— 201.1
March	1,192.6	1,036.5	57.9	1,094.4	— 156.1	— 98.2
April	1,139.7	934.2	59.4	993.6	— 205.5	— 146.1
May	1,054.4	907.3	49.7	957.0	— 147.1	— 97.4
June	1,075.1	903.8	43.9	947.7	— 171.3	— 127.4
July	1,148.1	927.4	57.3	984.7	— 220.7	— 163.4
August	1,052.9	1,040.7	54.2	1,094.9	— 12.2	+ 42.0
September	1,055.6	1,073.7	62.3	1,136.0	+ 18.1	+ 80.4
October	1,162.0	1,125.0	60.9	1,185.9	— 37.0	+ 23.9
November	1,173.8	1,009.0	58.5	1,067.5	— 164.8	— 106.3
December	1,102.6	977.5	52.9	1,030.4	— 125.1	— 72.2
1929						
January	1,317.3	1,035.0	69.7	1,104.7	— 282.3	— 212.6
February	1,016.6	920.2	53.1	973.3	— 96.4	— 43.3
March	1,021.9	930.3	53.2	983.5	— 91.6	— 38.4
April	1,254.9	1,163.6	67.4	1,231.0	— 91.3	— 23.9
May	1,132.4	1,097.5	78.3	1,175.8	— 34.9	+ 43.4
June	1,077.5	1,014.9	64.5	1,079.4	— 62.6	+ 1.9
July	1,227.3	1,030.5	69.6	1,100.1	— 196.8	— 127.2
August	1,072.6	1,123.2	67.6	1,190.8	+ 50.6	+ 118.2
September	1,038.3	1,136.7	67.7	1,204.4	+ 98.4	+ 166.1
October	1,106.7	1,164.8	89.1	1,253.9	+ 58.1	+ 147.2
November	1,162.2	1,094.0	59.6	1,153.6	— 67.2	— 7.6

Annex I.

**Imports of raw materials and
goods and exports of finished goods**
(including deliveries in kind)

Month	Imports of raw materials and half-finished goods	Exports of finished goods incl. deliveries in kind	Excess of exports over imports of finished goods
	in millions of reichsmarks		
1927			
January	565	569	419
February	579	553	391
March	588	627	456
April	554	605	415
May	592	634	424
June	602	573	364
July	602	647	423
August	588	646	425
September	566	613	383
October	593	736	483
November	647	701	468
December	669	723	507
1928			
January	661	649	418
February	695	705	482
March	641	773	533
April	610	696	481
May	567	691	487
June	579	697	508
July	603	704	518
August	550	783	600
September	552	826	640
October	612	723	507
November	609	715	519
December	566	739	548
1929			
January	688	791	577
February	546	713	531
March	563	709	521
April	692	876	676
May	614	834	638
June	585	788	586
July	613	810	616
August	576	884	704
September	548	879	699
October	601	923	733
November	652	851	674

Annex J.

**Sterling, dollar and French franc rates on the
Berlin Bourse¹⁾**

(Weekly averages in absolute figures and in percentages of parity)

Date	£		\$		French franc	
1928		%		%		%
August 31	20.359	99.66	4.195	99.93	16.380	99.59
September 7	20.362	99.67	4.196	99.95	16.385	99.62
September 15	20.357	99.65	4.197	99.98	16.386	99.63
September 23	20.352	99.62	4.196	99.95	16.385	99.62
September 30	20.343	99.58	4.195	99.93	16.395	99.68
October 7	20.357	99.65	4.197	99.98	16.415	99.81
October 15	20.382	99.77	4.202	100.10	16.409	99.77
October 23	20.361	99.67	4.194	100.00	16.395	99.68
October 31	20.354	99.63	4.197	99.98	16.396	99.69
November 7	20.356	99.64	4.199	100.03	16.400	99.71
November 15	20.357	99.65	4.199	100.03	16.399	99.71
November 23	20.353	99.63	4.197	99.98	16.399	99.71
November 30	20.346	99.59	4.194	99.90	16.399	99.71
December 7	20.351	99.62	4.196	99.95	16.393	99.67
December 15	20.354	99.63	4.196	99.95	16.392	99.67
December 23	20.358	99.65	4.194	99.90	16.415	99.81
December 31	20.381	99.76	4.198	100.00	16.434	99.92
1929						
January 7	20.385	99.78	4.202	100.10	16.429	99.89
January 15	20.403	99.87	4.207	100.21	16.443	99.98
January 23	20.401	99.86	4.207	100.21	16.441	99.96
January 31	20.412	99.92	4.210	100.29	16.454	100.04
February 7	20.426	99.98	4.213	100.36	16.464	100.10
February 15	20.459	100.15	4.214	100.38	16.458	100.07
February 23	20.446	100.08	4.213	100.36	16.452	100.03
February 28	20.450	100.10	4.214	100.38	16.461	100.08
March 7	20.449	100.10	4.214	100.38	16.459	100.07
March 15	20.451	100.11	4.215	100.41	16.461	100.08
March 23	20.459	100.15	4.215	100.41	16.462	100.09
March 28	20.459	100.15	4.215	100.41	16.478	100.19
April 6	20.464	100.17	4.217	100.45	16.480	100.20
April 15	20.470	100.20	4.217	100.45	16.477	100.18

¹⁾ For earlier figures vide the relative Annexes of previous Reports.

Date	£		\$		French franc	
April 23	20.471	100.21	4.217	100.45	16.479	100.19
April 30	20.469	100.19	4.217	100.45	16.491	100.27
May 7	20.466	100.18	4.217	100.45	16.485	100.23
May 15	20.457	100.14	4.216	100.43	16.474	100.16
May 23	20.384	99.77	4.203	100.12	16.421	99.84
May 31	20.347	99.60	4.194	99.90	16.400	99.71
June 7	20.337	99.55	4.194	99.90	16.396	99.69
June 15	20.337	99.55	4.195	99.93	16.397	99.70
June 22	20.325	99.49	4.192	99.86	16.398	99.70
June 29	20.341	99.57	4.195	99.93	16.415	99.81
July 7	20.357	99.65	4.198	100.00	16.421	99.84
July 15	20.367	99.69	4.199	100.03	16.435	99.93
July 23	20.356	99.64	4.196	99.95	16.438	99.95
July 31	20.358	99.65	4.195	99.93	16.446	99.99
August 7	20.362	99.67	4.196	99.95	16.437	99.94
August 15	20.360	99.66	4.200	100.05	16.426	99.87
August 23	20.357	99.65	4.199	100.03	16.438	99.95
August 31	20.359	99.66	4.200	100.05	16.437	99.94
September 7	20.364	99.68	4.201	100.07	16.436	99.93
September 15	20.362	99.67	4.200	100.05	16.434	99.92
September 23	20.356	99.64	4.200	100.05	16.436	99.93
September 30	20.361	99.67	4.196	99.95	16.439	99.96
October 7	20.393	99.82	4.196	99.95	16.458	100.07
October 15	20.398	99.85	4.193	99.89	16.460	100.08
October 23	20.399	99.85	4.186	99.72	16.468	100.13
October 31	20.388	99.80	4.180	99.57	16.465	100.11
November 7	20.390	99.81	4.179	99.55	16.465	100.11
November 15	20.393	99.82	4.181	99.60	16.464	100.10
November 23	20.388	99.80	4.182	99.62	16.461	100.08
November 30	20.379	99.75	4.177	99.50	16.457	100.06
December 7	20.381	99.76	4.176	99.48	16.447	100.00
December 14	20.381	99.76	4.175	99.45	16.443	99.98

Annex K.

Money rates in Berlin

(Monthly averages)

Month	Reichsbank discount %	Day-to-day money %	Money at one month %	Private discount %	Bills with banker's endorsement %	Yield of 8% mortgage bonds %
1924						
October	10.00	15.85	16.20	—	—	—
November . . .	10.00	14.78	15.00	—	—	—
December . . .	10.00	11.53	13.32	9.19	—	—
1925						
January	10.00	10.00	11.30	8.31	—	—
February	9.88	10.70	11.93	8.00	—	—
March	9.00	9.00	11.30	8.00	—	—
April	9.00	8.48	10.28	8.00	—	—
May	9.00	8.83	10.50	7.98	8.96	—
June	9.00	8.76	10.64	7.75	8.98	—
July	9.00	9.40	10.85	7.87	9.07	—
August	9.00	9.30	10.95	7.68	9.00	—
September . . .	9.00	8.94	10.73	7.18	8.83	—
October	9.00	9.61	10.72	7.09	8.92	—
November . . .	9.00	8.70	10.73	6.77	8.70	—
December . . .	9.00	8.40	10.37	6.75	8.60	9.90
1926						
January	8.32	7.29	9.28	6.27	7.76	9.52
February	8.00	6.10	7.44	5.46	7.03	8.88
March	7.85	5.61	6.77	5.00	6.56	8.47
April	7.00	4.93	6.13	4.86	5.80	8.13
May	7.00	5.15	6.00	4.69	5.40	8.16
June	6.60	4.83	5.87	4.52	5.16	8.15
July	6.08	5.09	6.02	4.53	5.17	8.12
August	6.00	5.11	5.91	4.61	5.18	8.08
September . . .	6.00	5.12	6.36	4.88	5.42	8.06
October	6.00	5.04	6.30	4.84	5.30	8.05
November . . .	6.00	4.85	6.47	4.63	5.08	8.01
December . . .	6.00	6.02	7.46	4.72	5.35	7.89

Month	Reichsbank discount $\frac{\%}{100}$	Day-to-day money $\frac{\%}{100}$	Money at one month $\frac{\%}{100}$	Private discount $\frac{\%}{100}$	Bills with banker's endorsement $\frac{\%}{100}$	Yield of 8 $\frac{1}{2}$ % mortgage bonds $\frac{\%}{100}$
1927						
January	5.28	4.60	6.42	4.20	4.62	7.76
February	5.00	5.33	5.95	4.22	4.35	7.74
March	5.00	5.29	7.40	4.59	4.86	7.80
April	5.00	5.83	7.13	4.62	4.86	7.79
May	5.00	6.35	7.69	4.90	4.99	7.84
June	5.75	6.03	8.28	5.39	5.76	7.93
July	6.00	7.36	8.50	5.90	6.18	7.93
August	6.00	5.78	8.22	5.82	6.09	7.99
September...	6.00	6.09	8.35	5.90	6.19	7.98
October	6.92	7.31	8.69	6.69	7.09	8.03
November ...	7.00	6.12	8.77	6.76	7.25	8.18
December ...	7.00	7.23	9.07	6.87	7.34	8.18
1928						
January	7.00	5.35	8.06	6.27	6.88	8.15
February	7.00	6.61	7.72	6.20	6.67	8.16
March	7.00	7.08	7.98	6.72	6.93	8.20
April	7.00	6.89	8.00	6.70	6.92	8.21
May	7.00	6.98	8.00	6.66	6.94	8.22
June	7.00	6.47	8.04	6.62	6.90	8.23
July	7.00	7.49	8.29	6.74	7.00	8.23
August	7.00	6.10	8.45	6.69	6.93	8.24
September...	7.00	6.62	8.76	6.64	6.95	8.26
October	7.00	6.90	8.57	6.57	6.95	8.27
November ...	7.00	6.81	8.35	6.28	6.80	8.29
December ...	7.00	7.39	9.00	6.28	6.96	8.27
1929						
January	6.67	5.25	7.72	5.80	6.34	8.28
February	6.50	6.39	7.45	5.80	6.22	8.30
March	6.50	7.14	7.81	6.31	6.57	8.31
April	6.70	6.91	8.19	6.63	6.94	8.37
May	7.50	9.36	9.80	7.49	8.59	8.47
June	7.50	8.08	10.13	7.50	8.24	8.50
July	7.50	8.65	9.91	7.39	7.79	8.49
August	7.50	7.64	9.82	7.18	7.77	8.51
September...	7.50	8.21	9.79	7.18	7.69	8.57
October	7.50	8.41	9.82	7.28	7.75	8.61
November ...	7.02	8.02	9.26	6.89	7.41	8.63

Annex L.

Money rates in Berlin (weekly averages) and credits (bills and loans against collateral) of the Reichsbank¹⁾

Date	Reichsbank discount %	Day-to-day money %	Money at one month %	Private discount %	Bills with bankers' endorsement %	Bills and loans against collateral of the Reichsbank ²⁾
1928						
August 31	7.00	6.58	8.63	6.75	7.00	2,737
September 7	7.00	7.54	8.71	6.64	6.93	2,440
September 15	7.00	5.93	8.70	6.63	6.89	2,185
September 23	7.00	6.50	8.75	6.63	7.00	2,069
September 30	7.00	6.96	8.88	6.69	7.00	2,691
October 7	7.00	7.94	8.75	6.58	6.98	2,418
October 15	7.00	6.43	8.54	6.50	6.86	2,177
October 23	7.00	6.96	8.50	6.61	6.97	1,995
October 31	7.00	6.68	8.50	6.61	6.97	2,444
November 7	7.00	7.75	8.50	6.38	6.92	2,217
November 15	7.00	6.29	8.27	6.25	6.77	1,949
November 23	7.00	6.67	8.25	6.25	6.72	1,796
November 30	7.00	7.00	8.38	6.25	6.81	2,382
December 7	7.00	8.38	8.50	6.25	6.92	2,158
December 15	7.00	7.11	9.03	6.25	6.95	1,947
December 23	7.00	7.08	9.25	6.29	7.00	1,972
December 31	7.00	7.38	9.31	6.38	7.00	2,854
1929						
January 7	7.00	6.00	8.10	6.08	6.73	2,155
January 15	6.79	5.07	7.75	5.89	6.32	1,713
January 23	6.50	5.11	7.63	5.71	6.24	1,589
January 31	6.50	5.36	7.50	5.57	6.18	1,885
February 7	6.50	6.92	7.44	5.63	6.19	1,751
February 15	6.50	5.36	7.39	5.63	6.13	1,525
February 23	6.50	6.57	7.50	5.95	6.25	1,509
February 28	6.50	7.81	7.50	6.13	6.42	2,186
March 7	6.50	8.12	7.50	6.15	6.50	1,924
March 15	6.50	7.71	7.79	6.30	6.50	1,779
March 23	6.50	6.00	8.00	6.38	6.63	1,717
March 31	6.50	6.63	8.00	6.44	6.69	2,488

¹⁾ For the previous figures vide the relative Annexes of the previous Reports.

²⁾ In millions of reichsmarks.

Date	Reichs- bank- discount <i>o/100</i>	Day-to-day money <i>o/100</i>	Money at one month <i>o/100</i>	Private discount <i>o/100</i>	Bills with banker's endorse- ment <i>o/100</i>	Bills and loans against collateral of the Reichs- bank ²
April 6	6.50	8.10	8.00	6.45	6.70	2,389
April 15	6.50	7.25	8.00	6.45	6.73	2,319
April 23	6.50	5.96	8.00	6.50	6.91	2,357
April 30	7.33	7.04	8.77	7.15	7.43	3,188
May 7	7.50	9.50	9.08	7.46	8.00	3,194
May 15	7.50	9.58	9.58	7.50	8.38	2,889
May 23	7.50	9.73	9.85	7.50	8.75	2,619
May 31	7.50	8.96	10.55	7.50	9.25	3,260
June 7	7.50	8.75	10.54	7.50	8.71	2,970
June 15	7.50	7.43	10.02	7.50	8.21	2,758
June 22	7.50	8.04	9.96	7.50	8.01	2,574
June 29	7.50	8.71	10.00	7.50	8.00	3,195
July 7	7.50	9.25	9.95	7.45	7.90	2,878
July 15	7.50	8.06	9.75	7.38	7.75	2,588
July 23	7.50	9.00	10.00	7.38	7.78	2,187
July 31	7.50	8.54	9.96	7.38	7.75	2,797
August 7	7.50	8.88	9.78	7.25	7.80	2,474
August 15	7.50	7.46	9.75	7.13	7.75	2,283
August 23	7.50	7.38	9.83	7.13	7.75	2,088
August 31	7.50	7.20	9.90	7.25	7.80	2,835
September 7	7.50	9.35	9.85	7.13	7.70	2,571
September 15	7.50	7.88	9.75	7.13	7.62	2,312
September 23	7.50	7.83	9.75	7.13	7.71	2,165
September 30	7.50	7.75	9.79	7.33	7.75	2,829
October 7	7.50	9.65	9.88	7.38	7.75	2,588
October 15	7.50	8.25	9.88	7.25	7.75	2,226
October 23	7.50	8.46	9.80	7.25	7.75	2,029
October 31	7.50	7.61	9.75	7.25	7.75	2,639
November 7	7.08	9.04	9.31	6.90	7.50	2,402
November 15	7.00	7.29	9.23	6.88	7.38	2,194
November 23	7.00	8.13	9.25	6.88	7.38	1,978
November 30	7.00	7.70	9.25	6.92	7.38	2,574
December 7	7.00	9.04	9.25	7.00	7.38	2,347
December 14	7.00	7.08	9.33	6.92	7.33	2,209

² In millions of reichsmarks.

Annex M.

Weighted share index and quotations of an 8% representative mortgage bond on the Berlin Bourse¹⁾

Date	Weighted average prices of shares	Quotations of an 8% representative mortgage bond	Date	Weighted average prices of shares	Quotations of an 8% representative mortgage bond
1928					
August 29.....	164.6	96.50	April 24.....	151.4	95.40
September 5.....	164.7	96.25	April 30.....	151.1	95.10
September 12....	163.5	96.25	May 7.....	152.7	95.00
September 19....	162.7	96.25	May 15.....	147.9	94.50
September 26....	163.5	96.25	May 22.....	149.7	94.25
October 3.....	164.5	96.25	May 29.....	150.0	94.10
October 10.....	161.4	96.25	June 5.....	158.5	94.25
October 17.....	159.7	96.25	June 12.....	157.9	94.25
October 24.....	159.2	96.25	June 19.....	155.3	94.50
October 31.....	159.1	96.25	June 26.....	154.6	94.50
November 7.....	160.2	96.25	July 3.....	152.2	94.50
November 14....	161.8	96.25	July 10.....	153.5	94.50
November 20....	164.1	96.25	July 17.....	153.3	94.50
November 28....	164.1	96.50	July 24.....	151.1	94.50
December 5.....	167.9	96.25	July 31.....	150.0	94.40
December 12....	165.2	96.50	August 7.....	150.2	94.50
December 19....	163.2	96.25	August 14.....	150.9	94.40
December 31....	165.4	96.25	August 21.....	149.7	94.10
1929					
January 9.....	164.3	96.50	August 28.....	151.5	94.25
January 16.....	161.7	96.50	September 4....	151.6	94.25
January 23.....	158.6	96.00	September 11...	148.0	93.75
January 30.....	158.7	96.00	September 18...	146.4	93.75
February 6.....	157.3	96.00	September 25...	145.6	93.75
February 13....	156.8	96.00	October 2.....	143.2	93.50
February 20....	157.1	96.00	October 9.....	138.7	93.50
February 27....	152.7	96.00	October 16.....	140.2	93.50
March 6.....	154.4	96.00	October 23.....	133.7	92.30
March 13.....	152.8	96.00	October 30.....	131.5	92.50
March 20.....	156.8	96.00	November 6.....	135.2	92.60
March 26.....	156.9	96.00	November 13....	131.3	92.60
April 3.....	158.3	96.00	November 19....	130.8	92.75
April 10.....	158.7	96.20	November 27....	124.8	92.60
April 17.....	157.1	96.20	December 4.....	130.7	92.75
			December 11....	128.2	92.75

¹⁾ For the figures from October 1925 until August 1928 vide the relative annexes of previous Reports.

Annex N.

Discount rates

	Discount (per cent)	Since
Reichsbank.....	9	26. 2. 25
	8	12. 1. 26
	7	27. 3. 26
	6½	7. 6. 26
	6	6. 7. 26
	5	11. 1. 27
	6	10. 6. 27
	7	4. 10. 27
	6½	12. 1. 29
	7½	25. 4. 29
Federal Reserve Bank of New York..	7	2. 11. 29
	3½	27. 2. 25
	4	7. 1. 26
	3½	23. 4. 26
	4	12. 8. 26
	3½	5. 8. 27
	4	3. 2. 28
	4½	18. 5. 28
	5	12. 7. 28
	6	9. 8. 29
Bank of England	5	1. 11. 29
	4½	15. 11. 29
	5	3. 12. 25
	4½	21. 4. 27
	5½	7. 2. 29
	6½	26. 9. 29
Banque de France	6	31. 10. 29
	5½	21. 11. 29
	5	12. 12. 29
	6	9. 7. 25
	7½	31. 7. 26
	6½	16. 12. 26
	5½	3. 2. 27
	5	14. 4. 27
	4	29. 12. 27
	3½	19. 1. 28

REPORT No 10
OF THE
COMMISSIONER
FOR THE
GERMAN RAILWAYS

December 14, 1929

Commissariat for the German Railways
Berlin W8. — Voss-Strasse 35

REPORT No 10 OF THE COMMISSIONER FOR THE GERMAN RAILWAYS

December 14, 1929

Submitted for the German Railways
Berlin W 8 - December 14, 1929

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Report No. 10

of the Commissioner for the German Railways to the Reparation Commission.

Berlin, December 14, 1929.

The fifth year of the application of the Dawes Plan terminated on August 31 last and the sixth Annuity year commenced on September 1, 1929. The changes to be made in the reparation payments under the new Experts' Plan, which was accepted in principle at the first Hague Conference, were to come into force at the beginning of the sixth year, that is to say as from September 1. But so long as the new Plan is not definitively adopted, the former system continues to remain in force unchanged.

The present report will analyse the payments made in respect of reparations by the German Railway Company under the Dawes Plan during the fifth Annuity year and that part of the sixth year which has already elapsed, and at the same time will indicate the development of the Company's position in 1929 and its prospects for next year.

There is no change to record since the publication of my last report as regards the composition of the Managing Board and the General Management of the Company.

We deplore the death of M. Delacroix, Trustee for the German Railway Bonds, who died suddenly at Baden-Baden on October 15, where he was acting as delegate of the Belgian Government on the Organisation Committee of the Bank for International Settlements. M. Delacroix's decease was universally regretted. In his delicate task as Trustee for the German Railway Bonds he always exhibited a lofty sense of justice and a conciliatory spirit which were appreciated by all. For myself I may be permitted to take the opportunity to express the grief occasioned by his decease and, without entering into personal feelings, to mention the complete confidence which always underlay our collaboration in the close relationship resulting from our functions.

By decision dated November 9, 1929, the Reparation Commission appointed M. Camille Gutt as Trustee for the German Railway Bonds in the place of M. Delacroix.

General Review.

Development of traffic and tariffs.

In my last Report I described the development of German railway traffic from the creation of the Reichsbahn to the beginning of 1929, and I mentioned that a certain decline of traffic

became apparent in the last quarter of 1928 and was accentuated in the early months of 1929. As was assumed at the time, the decline was chiefly due to the exceptionally severe winter; immediately after milder weather set in there was an improvement which persisted until the end of the year. Taken as a whole traffic in 1929 will show a satisfactory development and, according to the forecasts which can now be made, should reach a slightly higher level than in 1928, when the total receipts showed an increase of 2.4 per cent by comparison with the previous year, while the number of ton-kilometers in goods traffic increased by 2.2 per cent.

In the case of passenger traffic however it is thought that this year will show a slight falling off by comparison with 1928. The total number of passenger-kilometers is estimated at 46.7 milliards, or approximately 2 per cent less than in the previous year. A similar state of affairs, due largely to the competition of motor transport, is also to be observed in most other countries, where as a rule passenger traffic has declined or at any rate increased much less rapidly in recent years.

Goods traffic on the other hand has yielded more satisfactory results. The decline of 10 per cent in the tonnage transported, to which I drew attention in the case of the first quarter of 1929 as compared with the first quarter of 1928, was off-set by an improvement during the remainder of the year; for the year as a whole the tonnage transported works out at much the same figure as in the previous year, while the number of ton-kilometers shows an increase of 3.6 per cent. The mean distance of transport is accordingly 3.6 per cent greater than in the previous year, and the increase appears to be due in part to the dislocation of transport services by the exceptionally cold weather in the winter.

The development of railway traffic which I have just summarised is naturally closely related to the development of economic activity in Germany. The increase of the mean distance of transport is also due to the development of foreign trade. During the current year there was a continuation of the development first observed in 1928, which was characterised by a decline of activity on the home market, a growth of exports and a falling off of imports. The improvement of the trade balance coincided, very appropriately, with the decline of foreign borrowing. The improvement in traffic from the middle of the second quarter onwards is also connected with the recovery of certain branches of the economy, as I shall show subsequently by means of some figures on the output of coal and iron, the number of unemployed and the building trade.

Passenger and goods tariffs were increased at the beginning of October 1928, following lengthy discussions and an award by the Railway Court. This tariff increase does not appear to have reduced traffic in any way and it has therefore not had the injurious effect upon the country as a whole which was feared in some quarters.

In the case of passenger traffic it will be recalled that the tariff increase was accompanied by a reform of classification, reducing the number of classes from four to two plus a luxury class. These

measures appear to have had the desired effect, and in particular to have attracted larger numbers of passengers to the second class and to the express trains. This is to the interest both of passengers and of the railway itself. Taken as a whole the average receipts per passenger-kilometer should be about 2 per cent higher.

In the case of goods traffic the increase of receipts expected in 1929 as a result of the higher tariffs was 6.5 per cent; in reality for the period January-August the increase of receipts per ton-kilometer was only 4.3 per cent. This failure to realise the estimates is due to the increase in the mean distance of transport, particularly in the case of coal, which results in a diminution of the receipts per ton-kilometer owing to the fact that tariff rates decline as the distance increases.

Detailed information on the development of passenger and goods traffic in 1929 will be found elsewhere in this report. I will confine myself to stating here that the increase of receipts by comparison with last year is slightly higher than the additional yield expected from the tariff increase, which would seem to indicate that traffic as a whole has if anything increased, the decline observable in certain quarters having been off-set by the expansion of other transports. The country therefore seems to have borne the tariff increase without difficulty.

Income and expenditure of the Company.

The balance sheet for the business year 1929 is not yet drawn up, but it is already possible to state the approximate results.

The receipts for the year are expected to reach a total of *R.M.* 5,370 millions, being an increase of 211 millions or 4 per cent by comparison with 1928 when receipts totalled 5,159 millions. This result is pretty much in agreement with the estimates.

Operating expenditure, so far as can now be estimated, is likely to exceed the estimates slightly. The total expenditure on staff, not including workmen on the permanent way and in the workshops, will amount to *R.M.* 2,441 millions as against the 2,401 millions originally estimated. This increase is largely due to the raising of workers' wages in virtue of an award pronounced on May 24, 1929.

The expenditure on material for operation and upkeep will probably total *R.M.* 1,358 millions, thus slightly exceeding the 1,341 millions originally estimated. The expenditure on renewals (labour and materials) will probably reach the original estimate of 660 millions.

In the renewal of track the Company has exceeded the 3,100 km. renewable in the course of a normal year. This year the Company will have renewed 3,340 km. thus making up 240 km. of the arrears with which it was confronted at its creation. On the other hand the replacement of points will fall short of the normal programme, thus approximately off-setting the additional expenditure on track renewals.

On the basis of the above figures the total operating expenditure is estimated at 4,459 millions. The surplus of receipts over expenditure amounting to 911 millions will suffice almost exactly for

the cover of the reparation charges, the payment of the dividend on the preference shares, the cover of 79.9 millions of expenditure on extensions and the payment of 91.8 millions into the legal reserve, which will thus be brought up to the total of 500 millions stipulated in the Statutes.

The results thus estimated appear satisfactory, the Company having succeeded as in previous years in balancing its budget and meeting all charges. The balance this year was however obtained with some difficulty and the financial situation is causing some preoccupation in regard to next year for the following reasons.

On the one hand the Management considers it necessary to increase expenditure on upkeep and renewals. At its creation the Company was faced with large arrears in the upkeep of fixed plant, track, buildings and superstructure. A part of these arrears has already been made up, but the Management considers it necessary to accelerate expenditure on the restoration of the system and large additional charges will therefore have to be borne in ensuing years.

On the other hand the Company has difficulty in obtaining the necessary loans for covering expenditure on capital account. During 1929 it was unable to raise any kind of loan with the exception of a credit of *R.M.* 100 millions for three years, which was offered by the rolling stock constructors, and a similar credit of 10 millions offered by the bridge builders. Mention may also be made of loans granted by the Reich, the States or third parties as a contribution to specified works, but the greater part of the expenditure on extensions will have to be covered out of available resources, and the Company expects to do this by taking 79.9 millions from the 1929 operating receipts and making up the balance of about 69 millions out of the resources derived from previous years. For 1930 the capital market so far appears to offer no more favourable prospects to the Company, which will no doubt be obliged once again to cover the greater part of the expenditure on extensions out of operating receipts.

These are probably only temporary difficulties. Arrears of upkeep will be made up after a period now estimated at 8 or 9 years. The unfavourable position of the capital market in Germany and abroad will doubtless also prove to be temporary, and in all probability much greater facilities will be obtainable in the not far distant future. Despite present economic difficulties there is already a notable growth of savings in Germany, which will no doubt afford opportunities for issues in future years.

However this may be, the business year 1930 presents a difficult problem and the Company will have to find fresh resources in order to balance its budget. With this object in view it applied to the Government in June last for a tariff increase. The application was considered premature and the Transport Minister announced his intention of waiting until September 15 before taking a final decision on the question.

In the interval the new Experts' Plan was adopted in principle by the Governments. The new Plan in no way reduces the charges upon the Company, but provides that the transport tax shall no

longer be devoted to reparation payments, being paid henceforth to the Government of the Reich. This may afford relief to the Company to the extent that the Government is willing either to repay a part of the tax to the Company, or to reduce the amount while authorising a corresponding increase of tariffs. This solution has, we believe, been contemplated, but in view of the financial position of the Reich, the difficulties of the Treasury and the unbalanced budget there is little likelihood of effect being given to this suggestion. It would seem therefore that recourse will have to be had to a tariff increase, which is the only feasible solution in present circumstances.

This increase is necessary both to ensure the cover of expenditure and to give the budget the elasticity essential for the Company's sound credit, and it alone will enable the Company to obtain the requisite loans for future capital expenditure so soon as conditions are once more favourable.

Hitherto the Company's loans have taken the form of issues of preference shares. The Railway Law and the Statutes also provide for the possibility of borrowing by means of the issue of bonds or other securities secured by a mortgage on the railways. In the present circumstances a bond loan might be more advantageous than an issue of preference shares. At present the state of the capital market prohibits the placing of such shares save at a high rate of interest, and under § 4 of the Statutes their redemption cannot take place during the first 35 years of the concession save on rather severe terms; this would prevent the Company from taking advantage of a subsequent improvement in the financial situation by means of anticipatory redemption. This difficulty may lead the Company to issue bonds or other securities in its next operations.

In this connection I would point out that § 8 of the Law provides that no loan shall be issued with a currency extending beyond January 1, 1965, without the previous approval of the Government. No such approval has yet been obtained and it is desirable that there should be no further delay, for in the absence of such approval the redemption of loans contracted within a shorter period will entail charges on the Company's budget in the near future which under present circumstances it would be better to defer to later years.

Present position of the Company and changes introduced by the new Plan.

Taken as a whole and despite the difficulties referred to, it may be said that the operation of the railway by the Company during the first five years of its existence has been satisfactory and has completely realised the expectations entertained at the adoption of the Dawes Plan.

On the threshold of the changes to be made in this Plan it is interesting to note that the Company, while meeting its obligations and in particular the reparation obligations, has entirely fulfilled the mission entrusted to it. As shown by the information furnished

in this and in previous reports, the Company has observed the provisions of the Railway Law; in its tariff policy in particular the Company has operated the railways "in accordance with business principles, due regard being paid to German economic interests" in conformity with § 2 of the Law. In addition the Company has in accordance with § 9 taken steps to ensure "such adequate maintenance and development at its own expense of the undertaking, with all its accessories, as will meet the requirements of traffic and the progress in railway technique". These provisions have been given effect by means of the expenditure on upkeep and renewals and in the policy of new works. Among the new works I may refer more particularly to the electrification of the Berlin and suburban lines, the electrification of the Silesian and Bavarian lines, the big works at Königsberg, Stuttgart, etc.

The new Experts' Plan, which was discussed at the Hague Conference, provides for important changes in the organisation of the Company. The chief provisions in this connection may be summarised as follows:

Abolition of the reparation bonds imposed upon the railways under the Dawes Plan and the substitution of a direct tax carrying certain privileges and guarantees, the amount of the tax remaining equal to the annuity payable in respect of the reparation bonds.

Abolition in the future of all foreign participation in the administration of the railways, that is to say of all intervention by foreign bodies such as the Reparation Commission, the Trustee, the Commissioner for the German Railways and foreign members of the Board.

Further the Plan provides for the maintenance of the private and independent character of the Company, including its independent administration in economic and financial matters and in questions affecting the staff. The Experts who drew up this general Plan doubtless considered that in its present form the Company fulfils the expectations entertained and that therefore no essential change should be made in its constitution.

The Organisation Sub-Committee set up by the Hague Conference has discussed the changes to be made in the Law and in the Company's Statutes in conformity with the provisions of the new Plan. The Committee had in the first place to consider the proposals submitted by the delegates of the Government of the Reich, which were designed to introduce further changes on the following points:

To strengthen the powers of control and other rights of the Government in consequence of the abolition of all foreign control.

To subject the Company to the general legislation of the Reich by cutting down certain special privileges enjoyed under the present Law. This related more particularly to the provisions governing officials, employees and workers of the Company in the matter of regulations on working hours, as the present provisions are the subject of certain demands or complaints by the staff.

The Organisation Sub-Committee endeavoured to meet these wishes as far as possible, while observing the principles imposed by the

Experts' Plan and retaining the conditions essential to the satisfactory working of the Company. The Committee has now completed its work, drawn up its report and submitted its proposals.

This is not the place in which to analyse the proposals, which are shortly to be submitted at the Conference of Governments. I will confine myself to remarking that, according to the new proposals, the German Government's powers of control under the new organisation and its influence over the Railway Company will be strengthened, and that at the same time any foreign intervention will disappear. By exercising its rights the Government will have great influence upon the Company's income and expenditure, but it will naturally have a large share of responsibility in the financial result of its operation.

The results obtained by the Company since 1924 are very encouraging and indicate the results which it will be possible to obtain in future years by pursuing a prudent and economical policy, based on sound commercial principles in consideration of the general economic interests of the country and with due regard for the welfare of the staff, whose whole-hearted services are essential to the satisfactory operation of the railway.

* * *

Reparation Payments.

The following table recapitulates the total amount of the annuity paid by Germany in each annuity year since the coming into force of the Dawes Plan, and the part of the annuity contributed by the railway bonds and the transport tax.

Annuity year	Total amount of the annuity	Amount of the annuity derived from		
		Railway bonds	Transport tax	Total of two preceding columns
in millions of gold marks				
1st year 1924-25	1,000	200	—	200
2nd year 1925-26	1,220	595	250	845
3rd year 1926-27	1,500	550	290	840
4th year 1927-28	1,750	660	290	950
5th year 1928-29	2,500	660	290	950

The new Experts' Plan signed in Paris on June 7, 1929, and accepted in principle by The Hague Conference maintains a contribution from the Railway Company to reparations, but modifies the bases of the contribution. The Plan abolishes the railway bonds and substitutes for the service of interest and amortisation, for which the Company was responsible, the payment for 37 years of a direct tax, the amount of which remains at *R.M.* 660 millions and corresponds to the annual total of the non-postponable annuity provided for in the new Plan. The Hague Conference, however, slightly amended the provisions of the Plan in respect of the

unconditional annuity by substituting for a fixed annual sum a sum varying from year to year on a slightly rising scale. Consequently the Railway Company's payments which have not been modified are no longer identical with the unconditional annuity.

The sum payable by the Company will henceforth be levied on the gross receipts and will rank immediately after the expenditure on staff; it will be on the same footing as the expenditure on plant and materials for consumption.

The transport tax can continue to be collected by the Company for the account of the German Government, but the contribution of *R.M.* 290 millions to reparation payments made by the Government out of the proceeds of the tax will be abolished. The only provision made is that the reparation charge imposed upon the Company shall comprise, if necessary, the transport tax which otherwise is not liable in respect of any special charge on reparation account.

It was stipulated at the Hague Conference that the provisions of the new Plan might take effect retroactively as from September 1, 1929. But provisionally and so long as the final ratification has not taken place the terms of the Dawes Plan remain in force and the Company continues to make its payments as before without any modifications.

Reparation bonds.

Appended as Annex II will be found a statement of the payments made to date by the Company in respect of the reparation bonds, together with a monthly analysis of the payments in the most recent years.

During the fifth reparation year (September 1, 1928–August 31, 1929) the Company paid the total equivalent of *G.M.* 660 millions in respect of the service of the reparation bonds. It is at present continuing its payments at the rate of *R.M.* 55 millions a month, which will also be the nominal amount of the sums payable under the new Plan.

Attention must, however, be drawn to a slight difference between the two Plans as regards the exact amount of the payments.

Hitherto the Company's payments for the service of the bonds fell due only twice a year, at the end of every six months, and it is only under special agreements concluded each year with the Agent General for Reparation Payments and approved by the Reparation Commission that monthly payments were substituted for the semi-annual payments.

For the monthly payments made in anticipation of the half-yearly instalment the Company receives discount, the rate of which has varied from year to year and was fixed for the fifth reparation year at 6 per cent.

In my last report I mentioned that negotiations were proceeding between the Company and the Agent General for the renewal of this agreement for the sixth reparation year. The negotiations

terminated with the acceptance of a variable discount rate corresponding to the Reichsbank rate on the 20th of each month preceding the due date of payment.

The granting of this discount has afforded the Company a certain reduction of its payments, amounting to *RM* 6,745,000 in the fourth reparation year and *RM* 8,054,000 in the fifth reparation year.

The new Plan on the other hand provides for monthly in the place of half-yearly payments. Consequently a slight additional charge will indirectly be imposed upon the Company, which will no longer receive discount.

Transport tax.

I would recall that the transport tax is collected by the Company at the rate of from 10 to 16 per cent on the majority of the passenger traffic receipts and 7 per cent on goods traffic receipts other than coal. Out of the proceeds of the tax the Company has to pay direct on reparation account sums totalling *RM* 290 millions per annum in recent years.

Since the beginning of the third reparation year, in virtue of an agreement previously described by me, the Company has ceased to pay the monthly proceeds of the tax direct to the Agent General. Its payments are made to the Finance Minister who, irrespective of the actual proceeds received by him, makes payments to the Agent General in accordance with a schedule drawn up in advance. The agreement has been renewed annually from the outset with only a few changes in the distribution of the payments to be made by the Finance Minister; it has just been renewed for the sixth reparation year on the same bases as in the foregoing year.

This agreement will expire upon the application of the new Plan, under which the proceeds of the tax are retained by the Reich save in so far as they are required to complete the payment of the reparation tax by the Company.

* * *

Financing of Capital Expenditure.

The expenditure on capital account effected by the Company since its creation and shown on the assets side of the balance sheet at the close of each business year reached the following figures;

	Million <i>RM</i>
Business year 1925 (15 months)	239.0
" " 1926	407.6
" " 1927	348.5
" " 1928	285.7
Total	1,280.8

It is estimated that for the business year 1929 this expenditure will amount in round figures to 252.0
thus bringing the total expenditure effected in five years to 1,532.8.

Compared with the total value of the assets as constituted by plant and material, the expenditure on capital account in five years is equivalent to an increase of 6.3 per cent in the assets or an average annual increase of approximately $1\frac{1}{4}$ per cent. During the same period the increase of the gross receipts was 15 per cent, due, it is true, not only to a growth of traffic but also to the raising of tariffs.

Taking a rate of increase of $1\frac{1}{4}$ per cent the value of the Company's plant would be doubled in about half a century. The importance of the expenditure thus effected is even more apparent when one considers that (as I explained in a previous report) some of the expenditure on extensions has been included directly in the operating account as expenditure on renewals, for the reason that its productiveness was not sufficiently certain to ensure a return on the capital.

In the following table I shall recapitulate the distribution among the various categories of plant and material on December 31, 1928 of the *R.M.* 1,280.8 millions of expenditure on extensions effected by the Company since its creation.

Nature of plant and material	Expenditure effected
	in thousands of reichsmarks
I. Land Sites	73,732
II. Embankments etc.....	416,860
III. Fencing	1,902
IV. Road crossings.....	73,399
V. Culverts and bridges.....	77,189
VI. Tunnels	10,762
VII. Superstructure	238,687
VIII. Electric traction	100,448
IX. Telegraph, telephone, etc.....	35,509
X. Stations	252,413
XI. Workshop plant	107,849
XII. Miscellaneous plant.....	11,454
XIII. Rolling stock	181,610
Total	1,280,814

For the cover of this expenditure the Company disposed of the following resources:

	(in thousands of reichsmarks)
Issue of preference shares	581,000
Credits of the Reich	
a) to combat unemployment	80,000
b) to continue the construction of lines already begun	48,548
Loans of the States, communes, etc. for the execution of works	48,847
Balance covered by the profits of the Company	522,419
Total	1,280,814

The expenditure for the business year 1929 will, according to the estimates, be covered as follows:

	(in thousands of reichsmarks)
Short-term credits for rolling stock and bridges	83,000
Contributions from third parties and various loans	16,400
Credits of the Reich for the continuance of suspended constructional work	3,800
Balance to be covered out of the Company's profits	148,800
Total	252,000

Conditions on the capital market this year have not permitted of a further issue of preference shares by the Company to cover its capital expenditure. The Company has only been able to come to a financial arrangement with the car builders, which was outlined by me in my previous report and is now definitely concluded. Thanks to the agreement signed with the association of German car-builders the Company can place orders for rolling stock, which were temporarily postponed, up to an amount of 100 millions with three years' time for payment. A similar credit in the amount of *R.M.* 10 millions has been granted by the bridge-builders. These credits are included in the above total in the amount of 83 millions representing the commitments for the business year 1929. Despite these arrangements, which involve comparatively small sums, the Company has still to draw very largely upon its profits and reserves for the cover of its capital expenditure in 1929.

Now that there is likely to be a certain reorganisation of the Company it appears advisable to summarise the issues of preference shares made up to the present, together with the rights actually granted to the subscribers.

The maximum total of preference shares which the Company is authorised to issue under § 3 of the Statutes is 2 milliard marks. In addition to the 581 millions of preference shares previously referred to, a first series of *G.M.* 500 millions, the proceeds of which were assigned to the Reich, was issued in accordance with the provisions of the Dawes Plan. The shares issued up to the present day total *G.M.* 1,081 millions, and are distributed as shown in the following table.

As shown in this table, the Reich was the sole subscriber to the first three series of preference shares issued. For each of these series the Company has reserved to itself the right to take them back or the option to re-purchase, which it can exercise either after an interval of five years or when the Reich itself intends to re-sell its shares. Hitherto the shares have remained in the possession of the Reich.

The shares of Series IV and V were placed direct with the public. In virtue of the provisions of the Railway Law and the terms of issue they carry the following principal advantages:

They entitle the holder to a preference dividend fixed at 7 per cent and to the repayment of the capital not later than the date of expiration of the concession. In the event of a distribution of pro-

Series	Date of issue	Nominal value (in millions of gold marks)	Rate of preference dividend o/o	Rate of issue o/o	Subscribers	Remarks
Series I	September 1925	500	7	At par	Reich	Under the Statutes the sale proceeds were to be assigned to the Reich, but the shares instead were handed over to the Reich
" II	September 1925	124	7	96.77	Reich	Preference dividend guaranteed by the Reich
" III	March 1926	107	7	94.0	Reich	
" IV	June 1926	150	7	95.5	Public	
" V	February 1928	200	7	93.5	Public	

fits on the ordinary shares of the Company the preference shareholders are entitled to an additional dividend, so calculated that one-third of the profits distributed is assigned to the preference shares (assuming the total maximum of *R.M.* 2 milliards of preference shares to have been issued), while two-thirds are assigned to the *R.M.* 13 milliards of ordinary shares. It follows that the payment of a 1 per cent dividend on the ordinary shares will entail the simultaneous payment of an additional dividend of $3\frac{1}{4}$ per cent on the two milliards of preference shares.

The 7 per cent preference dividend is payable each year, $3\frac{1}{2}$ per cent being payable on account on January 2 and the balance on the third day following the approval of the balance sheet by the Managing Board. In virtue of the Law this approval must be given not later than June of the subsequent year. The Reich guarantees the payment of the 7 per cent preference dividend to the shareholders.

The dividend is liable to the German tax of 10 per cent on income derived from capital, but in the event of the German taxes being increased above 10 per cent the Company has undertaken to assume liability for taxation over and above that proportion.

The preference shares of each series can be redeemed in whole or in part as from the commencement of the sixteenth year following their issue. If redemption takes place prior to October 1, 1959, the redemption price is to be 20 per cent above the par value of the shares until October 1, 1949, and 10 per cent above the par value between October 1, 1949, and October 1, 1959.

The redemption price and the dividend are payable in gold marks calculated in reichsmarks at the official gold quotation on the London Stock Exchange and the rate of payments on London in force on the Berlin Bourse.

The shares carry a vote for the election of members to the Managing Board. But it should be added that the Reichsbank acts as trustee for the preference shares of the two series subscribed by the public and has issued bearer certificates in exchange for these shares. The certificates carry the same rights as the shares in so far as redemption and the payment of dividends are concerned, but the voting rights in the election of the Managing Board remain attached to the original shares held by the Reichsbank. The holders of the certificates are indeed entitled to demand the exchange of their certificates for shares at any time at the Reichsbank; but the certificates alone are admitted in transactions on the German stock exchanges and they alone are accepted as collateral for advances by the Reichsbank.

The above analysis shows that the preference shares carry considerable privileges. The quotation on the Berlin Bourse at one time rose to 117; at present it is 86, the fall probably being due very largely to the unfavourable state of the market. The present price (86), allowing for the dividend payment of *ℛℳ* 3.50 which falls due very shortly, represents a gross return of nearly 8.5 per cent and a net return, less taxes, of more than 7.5 per cent.

As the rights granted on the preference shares constitute the basis of the issues made to the public, they cannot be changed without the approval of all the shareholders; consequently they will have to be respected in the modifications of the present system governing the German Railway introduced in the execution of the Hague Agreements.

From the above considerations it is clear that the Company has only been able to obtain capital on very severe terms and even then only in relatively small amounts. It is for these reasons that the Company has been obliged to reduce its capital expenditure as I explained in my previous reports. It is probable that similar difficulties will be encountered in the future, but it must not be forgotten that the Company has the possibility of issuing securities other than the preference shares just mentioned, and that these securities may be either preference shares on different terms or bonds secured by mortgage or not so secured. The new Railway Law can hardly fail to enlarge the liberties of the Company in this direction.

* * *

Financial results of Operation.

The Company's business year terminates on December 31 and in my last report dated June 28, 1929, I gave the results for the business year 1928. As regards the current business year 1929, only partial and approximate results are at present available. The results for the first ten months are shown in the following figures supplied by the Company.

RECEIPTS:

Results for the period
January 1 to October 31, 1929
(in 1,000 R.R.)

Passenger traffic	1,230,668
Goods traffic	2,924,992
Various receipts	349,444
Total	4,505,104

PAYMENTS:

I. Payments for traffic and maintenance.

a) Payments to staff.

Salaries to officials	991,606
Wages of employees and workmen of traffic department	425,399
Pensions and retaining pay, pensions of other persons having claims on the Company	396,238
Other payments on account of staff	253,371
Total	2,066,614

Less: General expenses for renewal and extension of plant	57,246
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Balance: a) Payments to staff	2,009,368
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b) Payments for material.

Consumption of coal and other working materials, maintenance of furniture and equipment	404,659
Maintenance of permanent way and structures	266,873
Maintenance of rolling stock	411,157
Other payments for material	74,359
Total	1,157,048

Less: General expenses for renewal and extension of plant	24,534
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Balance: b) Payments for material	1,132,514
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Total payments for traffic and maintenance (a + b) ..	3,141,882
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II. Payments for renewals.

Renewal of furniture and equipment	1,662
Renewal of permanent way and structures	360,001
Renewal of Rolling stock	215,102
Total payments for renewals	576,765

Grand total of operating payments (I and II)	3,718,647
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III. Fixed Charges.

Service of reparation bonds:

Interest	450,208
Amortisation	98,727
Service of debts and new loans	3,250
To legal reserve (2% of receipts)	90,102
Reserve for the preference dividend	63,060
Reserve for writing off concession	27,000
Grand total of payments and charges (I, II and III) ..	4,450,994
Excess of receipts over payments	54,110

The receipts for the first ten months of the year approximately coincide with the estimates. In 1929 traffic was expected to remain the same as in 1928, while receipts were expected to benefit by the raising of tariffs on October 1, 1928, which was supposed to yield an additional *R.M.* 250 millions on the whole year. On this basis the receipts were estimated for the period January 1 to October 31 at 4,506 millions. Actually they have totalled 4,505 millions.

There is however a slight modification in the composition of the total as regards the distribution between passenger traffic receipts and goods traffic receipts, the former having fallen short of the estimates by 45 millions while the latter are in excess of the estimates by 39 millions; miscellaneous receipts on the other hand show an increase of 5 millions.

A comparison of the curve of receipts in 1929 with that of 1928 shows that the former remains pretty steadily above the latter save during the cold period last winter.

The divergence between the two curves represents the regular growth of receipts resulting from the tariff increase.

From these various facts the conclusion may be drawn that the tariff increase introduced in October 1928 has been satisfactorily borne by the national economy as a whole and has yielded the hoped for results.

If traffic in the last two months corresponds to the estimates the total receipts for the year may be expected to reach *R.M.* 5,370 millions.

On the expenditure side the estimates compiled by the Company when drawing up its budget, to which I referred in my previous report, will be slightly exceeded. The figures available for the first ten months of the year suggest that the payments for staff will amount to 2,441.4 millions—or, if the wages of workmen on the permanent way and in the workshops are included, to 2,998 millions—as against 2,952.7 millions originally budgeted. This increase is largely due to the charges imposed upon the Company by the arbitral award of May 24, 1929, raising workers' wages, to which I referred in my previous report.

The payments for material, comprising the necessary operating supplies, coal etc., together with payments for upkeep will probably amount to 1,357.6 millions, thus slightly exceeding the 1,341.7 millions estimated. The renewals carried out will total exactly 660 millions, which corresponds to the theoretical total calculated as necessary for the present business year.

In the renewal of track in particular the Company has slightly exceeded the 3,100 kilometers normally to be renewed in each year. Renewals will ultimately total 3,340 kilometers and the Company will thus have made up 240 kilometers of the arrears with which it was confronted at its creation.

On the other hand the replacement of points, will fall short of the normal programme for the year, thus approximately off-setting the additional expenditure on track renewals.

I mentioned in my last report that the Company finds the present classification of its operating expenditure, which simply distinguishes between payments for staff and payments for material, inconvenient. The Company has considered the re-classification of its expenditure on lines similar to those adopted by the majority of foreign railways, whereby a distinction is made between payments in respect of operation proper and payments for the upkeep of plant. The preparatory work for the reorganisation of the system of accounting will shortly be completed and the application of the new system will probably soon take place.

On the basis of the figures given above the total operating expenditure for the business year 1929 would amount to 4,459 millions, leaving a surplus of 911 millions to be utilised as follows:

Service of reparation bonds	660 millions,
Service of debts and new loans	3.6 "
To legal reserve	91.8 "
Preference dividend	75.7 "
Reserve for writing off concession	79.9 "
Total	911 millions.

The Company expects to devote the sum of 79.9 millions to writings off on capital account. In the chapter dealing with expenditure on capital account I have already mentioned that the Company was unable to borrow from any source in order to cover the balance of its expenditure on plant and I calculated that it would have to find 148.8 millions out of its own resources to finance the aforesaid expenditure. Accordingly, after deducting the above-mentioned 79.9 millions, the Company will have to draw upon its reserves to the extent of some 69 millions.

It will be seen therefore that the Company's position is somewhat difficult, largely as a result of the necessity for covering a considerable part of the expenditure on extensions out of operating receipts. It should be added that in the opinion of the Company it is essential to increase expenditure on certain items of the operating account in future years. In fact the Company considers that it is more and more urgently necessary to make up the arrears of renewals with which it was confronted at its creation and the consequences of which it has had to bear without being responsible for the causes. Hitherto it has only been possible to make up a part of these arrears owing to lack of funds, but the Company considers that it cannot postpone this expenditure much longer without endangering the undertaking.

For these various reasons a tariff increase appears to the Company to be inevitable. In my previous report I explained that the Company had actually made an application to this effect to the Government on June 12, and that in the reply received the Transport Minister indicated that he would be prepared to define his attitude to the question after September 15.

In a subsequent communication the Transport Minister stated that he did not feel called upon to concede the request, but as a result of the Company's insistence he is again examining its requirements for 1930 and considering the manner in which the Company's budget might be relieved.

It appears desirable for a solution to be reached shortly, so that the Company can draw up its estimates for the forthcoming business year with some degree of certainty.

Shareholdings of the Company.

I shall as usual indicate the results obtained by the Verkehre-Kredit-Bank and the Mitropa, both of which have recently published their balance sheet and profit and loss account (Annexes IV and V) following the conclusion of the business year.

Verkehre-Kredit-Bank.

During the business year 1923-29 the Verkehre-Kredit-Bank still further developed the granting of credit under the deferred freight payment system. The receipts collected for goods transport through the intermediary of the Bank totalled *R.M.* 1,802 millions as against 1,668 millions in the preceding business year. This is equivalent to an increase of 8 per cent and represents 53 per cent of the Company's total goods traffic receipts.

As regards the administration of the Company's funds, investments were made in accordance with the instructions issued to the Bank, for the most part on the private discount market and through the intermediary of the Reichsbank and other banking institutions. As a result of tension on the capital market and a certain increase in the volume of funds invested, the interest earned was appreciably in excess of previous years. The Bank paid to the Company interest amounting to approximately *R.M.* 39,600,000 as against 33,000,000 in the previous year.

The Bank's accounts at the close of the business year show no appreciable change by comparison with the previous year and the 12 per cent dividend has been maintained.

Mitropa.

The results of the last business year of the Mitropa (December 1, 1927, to November 30, 1928) show a slight improvement on the previous year.

The number of car-kilometers run was 86.1 millions as against 76.4 millions, while operating receipts totalled *R.M.* 43.5 millions as against *R.M.* 38.4 millions. Agreements have been concluded with the Lufthansa, the Bernina Railway and the Rhetian Railway. Expenditure has, however, increased even more than income. Payments for material rose from *R.M.* 24 millions to 27.4 millions, payments for staff from 9.7 millions to 11.6 millions. The net profit was accordingly reduced from 1.17 millions to 1.00 millions.

The Mitropa has also undertaken considerable expenditure on capital account. More than 100 new cars were put into service and others are still under construction. The balance sheet shows

an important increase of the item representing the car park, which rises from 11.39 millions to 19.31 millions.

The concern has drawn heavily upon its liquid resources; the credit balances with banks have dropped from 3.47 millions to 0.33 millions; the item "debtors" has dropped from 4.84 millions to 0.89 millions; "creditors" have on the other hand risen from 5.51 millions to 7.58 millions.

During the current business year there was a slight decline of traffic on the main lines, largely during the cold spell last winter. An arbitral award in April 1929 moreover compelled the Mitropa to grant all its specialised staff a general wage increase averaging from 5 to 6 per cent. At the same time the remuneration of sleeping-car conductors was modified by instituting a fixed wage in the place of tips. Owing to the rather unfavourable economic situation, the Mitropa Company did not feel entitled to raise its fares in order to meet the additional charges. Instead the Company introduced a fixed charge, which is now collected simultaneously with the charge for sleeping berths, in place of the optional tip which sleeping-car passengers were in the habit of giving.

Position of staff.

Numbers.

In my previous reports I have mentioned that since its creation the Company has endeavoured to keep its staff within normal proportions corresponding with actual traffic requirements.

Immediately after the war the Railway staff considerably increased owing to the influx of demobilised staff. In 1919 the total had reached 1,122,505. In October 1923 the Government of the Reich took the necessary steps to re-establish normal proportions and in this connection promulgated a special decree (Abbauverordnung) providing for drastic restrictions. The Company created in August 1924 continued the application of these measures and by December of that year the staff was reduced to 771,193.

From then onwards the average annual staff total dropped slowly until 1928, rising slightly in 1929 but still remaining far below the figure for December 1924. In 1929 the staff has averaged 717,500 and much the same total (717,000) is estimated for 1930.

The following table indicates the changes in the annual staff total since 1925 and in comparison with 1913:

Year	Total	Officials	Workers
1913 (new frontiers)	692,714	263,887	428,827
1925	732,961	331,712	401,249
1926	707,570	320,101	387,469
1927	704,016	313,672	390,344
1928	700,663	310,597	390,066
1929	715,500	308,700	408,800
1930 (estimates)	717,000	306,721	410,279

The increase to be noted between 1928 and 1929 is due to fresh traffic requirements and the development of works. It relates to workers only, particularly to those employed on the permanent way, for it has not yet been possible to reduce the number of officials to normal proportions.

The following table illustrates the changes in staff numbers during the current year, which are due in so far as workmen are concerned to normal seasonal fluctuations:

1929	Total	Officials	Workers
January	664,536	309,681	354,855
April	715,140	309,216	405,924
July	744,595	308,787	435,808
September	740,140	308,343	431,797
October	736,161	308,115	428,046

Officials.

A) Salaries.

The salaries of officials have not been changed since the reform of January 1928, which took effect retroactively as from October 1, 1927. By this reform the Company's officials received salary increases of 15 per cent, corresponding to the increases granted to officials of the Reich by a law of December 16, 1927. In this way the Company acted upon the principle embodied in § 26 of the Railway Law of August 30, 1924, in virtue of which the Company "in fixing the pay and permanent allowances of its officials other than superior officers (*leitende Beamte*) shall take into consideration the position of officials of the Reich".

Even before this the Company had always endeavoured to approximate the salaries of its officials to those of the officials of the Reich. For this reason the housing allowances were raised on four occasions to make good a proportional increase of rents: 10 per cent on April 1, 1925, April 1, 1927 and October 1, 1927, and 5 per cent on April 1, 1926.

The Company's expenditure on salaries of officials increased by 141.1 millions or 13.3 per cent between 1925 and 1928, and by 649.2 millions or 117 per cent by comparison with 1913. Before the war the expenditure in question was 556.7 millions; it reached 1,064.8 millions in 1925, 1,043.4 millions in 1926, 1,068.4 millions in 1927 and 1,205.9 millions in 1928. A slight drop is expected in 1929 and 1930, for which the estimates are 1,195 millions and 1,191.6 millions respectively. The reduction is due to the cutting down of staff to which I have already referred and to the stability of salaries and allowances since 1928.

According to the Company's calculations the average annual income of a Reichsbahn official is now *R.M.* 3,883 as against 3,125 in 1924. Thus it represents 184 per cent of the average annual in-

come of a Prussian State official in 1913, which was 2,110 marks. Calculated in terms of purchasing power the present income represents 119.8 per cent of the 1913 income.

B) Pensions.

The Reichsbahn officials receive pensions, but there is no special pension fund constituted out of deductions from salaries and contributions from the Company to guarantee the payment of pensions. Pensions are paid direct out of the Company's operating account. This was the case also before the war.

The pensions of Reichsbahn officials continue to be regulated as in the days when the railways belonged to the State by the provisions governing officials of the Reich. The Railway Law of August 30, 1924 does indeed guarantee the complete independence of the Company in regard to staff regulations; but it adds in § 22 paragraph 3 that "the Company in drawing up its staff regulations shall have regard to the special conditions of railway service, but shall never fix the rights, duties and conditions of service of its officials without due consideration of the regulations applying to officials of the Reich". It was with a view to observing this principle that the Company decided to retain the same pensions system for its officials as exists in the Reich.

Pensions comprise (1) pensions proper (*Ruhegehälter*), (2) retaining pay (*Wartegelder*) granted to officials placed on the retired list under the decree of October 27, 1923 on the reduction of staff, and (3) the pensions paid to widows and orphans (*Witwen- und Waisengelder*).

The expenditure incurred under these various headings has increased considerably. From 114 millions in 1913 it rose to 405.6 millions in 1925, 418.5 millions in 1926, 424 millions in 1927 and 482.2 millions in 1928. A similar figure is estimated for 1929 and the estimate for 1930 is 485 millions. The Company's calculations suggest that the pensions charge will increase until 1946, when the total will be about 600 millions. Taking the 1913 pensions charge as equal to 100, the present charge works out at 423. The average annual pension allotted to each recipient was 918 marks in 1913; in 1929 it is approximately *R.M.* 1,997 which represents an index figure of 217.5 as against an index figure of 100 in 1913.

In my previous reports I have already pointed out that the continuous growth of pensions charges was due to factors very largely outside the Company's control and originating prior to its creation; viz. the larger number of widows and orphans as a result of the war; the inflation of staff in 1919, followed by the abrupt increase in the number of pensions when a large proportion of the superfluous staff had to be placed on the retired list in 1923; the increase of the maximum pension rate from 75 to 80 per cent and the rate of widows' pensions from 40 to 60 per cent; and lastly the automatic increase of pensions resulting from the raising of officials' salaries.

The number of pensioners has increased by roughly 95 per cent since 1913. The following table shows the variations in the different categories.

	1913	1925	1926	1927	1928	1929
Pensioners	59,214	89,204	98,595	114,405	116,932	119,222
Recipients of retaining pay	13	49,270	38,544	24,502	21,080	18,479
Widows	59,431	72,884	75,375	77,891	79,968	80,278
Orphans	5,560	31,089	26,874	25,865	24,842	23,642
	124,218	242,447	239,388	242,663	242,822	241,621

The pensions system governing the Reichsbahn officials in imitation of the system for officials of the Reich is very liberal and frequently allows of the granting of considerable pensions. It appears to me of interest to furnish some details on this point.

(1) Final pensions (Ruhegehalt).

The legal age limit at which an official is entitled to a pension is 65 years.

A pension may however be granted to any official after not less than 10 years' service in the event of sickness or infirmity resulting in unfitness for service.

The pension paid after 10 years' service amounts to 35 per cent of a sum denominated "income for the calculation of the pension", comprising (a) the basic annual salary (gross salary not including the various housing allowances and family allowances attached thereto) drawn by the official at the time when he is placed on the retired list, and (b) the annual housing allowance calculated on an average and ranging between *RM* 288 and 1,800 according to the class of official.

The official placed on the retired list after more than 10 and not more than 25 years' service receives a pension of 2 per cent per annum over and above the 35 per cent previously referred to, that is to say of 65 per cent after 25 years' service.

After 25 years' service the pension rate rises by only 1 per cent per annum.

After 40 years' service the pension reaches the maximum of 80 per cent of the "income for the calculation of the pension".

(2) Retaining pay (Wartegeld).

The official temporarily placed on the retired list receives retaining pay equivalent to 80 per cent of the "income for the calculation of the pension" previously referred to.

If he has not yet served for 25 years the rate is reduced by 2 per cent for each year short of that number; he cannot however

receive less than 50 per cent of the "income for the calculation of the pension".

(3) Pensions for widows and orphans (Witwen- und Waisengelder).

The widow of an official without children receives $\frac{3}{5}$ or 60 per cent of the pension which her husband would have been entitled to draw or was actually drawing at the time of his death.

For each child she receives an additional $\frac{1}{5}$ of her widow's pension as calculated above, or 12 per cent of the father's pension.

For each child under 16 years of age, and in exceptional circumstances up to 21 years of age, the widow receives an additional 20 marks per month over and above the sum provided for the other children.

The pension of the widow and children must not however exceed the pension which the husband drew or was entitled to draw at the time of his death.

Orphans receive individually $\frac{1}{3}$ of the mother's pension, that is to say 20 per cent of the father's pension.

Workers.

A) Wages.

The wages of Reichsbahn workers were last fixed by an arbitral award of May 24, 1929, which remains in force until March 31, 1931 and increases the hourly wage by 3 to 4 pf. according to districts. The average hourly wage of a Reichsbahn worker, including the allowances attached thereto (family allowances and local allowances for the cost of living) is now 87 pf. as against 42 pf. in 1913. The nominal value has therefore doubled and in purchasing power the wage represents 133 per cent of the pre-war wage.

The following table illustrates the successive rises in wages since 1923:

Date	Nominal value pf.	Real value pf.	Percentage. Real value as compared with 1913
1913	0.42	0.42	100.0
November 25, 1923 - March 31, 1924	0.46	0.36	85.7
April 1924 - September 1924	0.56	0.44	104.7
October 1924 - March 1925	0.63	0.46	109.5
1925 April - September	0.69	0.49	116.6
October - December	0.71	0.50	119.0
1926 January - June	0.72	0.52	123.8
July - December	0.73	0.51	121.4
1927 January - June	0.75	0.51	121.4
July - December	0.78	0.52	123.8
1928 January - June	0.85	0.55	130.9
July - December	0.85	0.56	133.3
1929 January - June	0.87	0.56	133.0

It is also interesting to note that the monthly wage and the yearly wage have risen approximately in the same proportion. The average yearly wage today works out at *RM* 2,454 and its purchasing power represents 135 per cent of the average 1913 yearly wage amounting to 1,179 marks. Below I give the successive variations in the average annual wage of Reichsbahn workers since 1926 and as compared with 1913.

Date	Nominal income	Real income	Percentage. Nominal value	Percentage. Real value
1913	1,179	1,179	100	100
1926	2,035	1,442	173	122
1927	2,148	1,455	182	123
1928	2,358	1,555	200	132
1929	2,454	1,595	208	135

The expenditure incurred by the Company in the payment of wages amounted in 1913 to 543.2 millions and in 1925 to 760.1 millions; in 1928 it rose to 925 millions and is estimated for 1929 at 1,003.1 millions and for 1930 at 1,018.4 millions.

B) Social charges.

Social insurance is divided into two categories: legal insurance (sickness, old age and disablement, accident and unemployment) which is compulsory for all workers and, in the case of accident insurance, for all officials and employees in the operating services as well; voluntary assistance organised by the Reichsbahn, which supplements the payments under the compulsory State system in the case of certain of the Company's servants.

Social insurance has increased considerably by comparison with 1913, in fact it has more than quadrupled. Whereas in 1913 the contributions of the Reichsbahn aggregated only 35 millions, they rose successively to 84.5 millions in 1925, 107 millions in 1926, 130.8 millions in 1928, and 139.7 millions in 1929. Out of these 139.7 millions, 83.5 millions represent legal insurance and 56.2 millions voluntary assistance. For 1930 the total estimated expenditure is 144.3 millions, of which 87.3 millions represents legal insurance and 57 millions voluntary assistance.

C) Working hours.

The working hours of Reichsbahn workers together with their wages are in principle fixed by collective or individual agreements between the Company and its workers or their representative organisations. In the Reichsbahn as in private enterprise the

8 hour day and the 48 hour week are the customary basis for the conclusion of such agreements.

The officials on the other hand are subject to special regulations drawn up by the Company, on the basis of the regulations governing the officials of the Reich, which provide upon occasion for working hours appreciably longer than those of the workers.

This dual system is not without disadvantages. It frequently occurs in a railway concern that the co-operation of employees of different categories (officials and workers) is necessary in the execution of certain work, and in such cases uniform hours of work are essential. In order to take these special needs into account the Law of August 30, 1924 (§ 22 paragraph 2) granted the Company the right to adjust the hours of workers to those of officials. This provision was moreover in accordance with the general legislation of the Reich in force at the time of the introduction of the Railway Law. The decree of December 21, 1923, entitled the Government of the Reich, the States and the communes to apply the working hours of officials to workers in the public departments and undertakings, even where the contracts concluded with the staff involved other provisions.

The Company has nevertheless avoided the general exercise of the rights conferred upon it by § 22 of the 1924 Law, and it has confined itself to the application of the Article to those cases where it considers that traffic requirements and operating conditions render such application essential. Workers in the workshops and on the permanent way have the advantage of the 8 hour day and the 48 hour week subject to the variations agreed to in the collective contracts. On the other hand special measures have been adopted for the workers in the operating services who are liable to the same regulations as the officials in those services.

The arrangement is the subject of "regulations on service hours" (Dienstdauer Vorschriften), which have been revised on several occasions by agreement with the workers' organisations. In virtue of a convention concluded in April 1928 the maximum working time in the operating services, originally 60 hours per period of 7 working days, was reduced to 57 hours.

In the negotiations for the adjustment of the Railway Law to the new provisions of the Young Plan it appeared desirable to define the principles governing the regulation of the working hours of workers more accurately. The Organisation Committee appointed under the Experts Plan accordingly defined the application of § 22 paragraph 2 of the Law of August 30, 1924, and specified the cases in which the working hours of officials may be applied to workers. The Committee thought that this method would allow of the conciliation of conflicting interests and give collective agreements the opportunity for the fullest development in so far as the special needs of the Company do not require individual regulations.

Since 1924 the Company has devoted increasing sums to the staff budget. The following table indicates their distribution and shows

that the Company has introduced all the improvements compatible with financial stability.

Year	Officials' salaries	Officials' pensions	Workmens' wages	Social charges	Total (including allowances and various bonuses)
(in millions of R.M.)					
1913.....	556.7	114	543.2	35	1,350.2
1925.....	1,064.8	405.6	760.1	84.5	2,470.5
1926.....	1,043.4	418.5	784.6	107	2,511.3
1927.....	1,068.4	424	832.9	117.8	2,611.5
1928.....	1,205.9	482.2	925	130.8	2,912.9
1929.....	1,195	481.6	1,003.1	139.7	2,998
1930 (estimates)....	1,191.6	485	1,018.4	144.3	3,018.4

Construction of dwelling-houses for staff.

The intense housing crisis prevailing in Germany at the time of the Company's creation had particularly unpleasant consequences for the Company's servants, as service requirements necessitated frequent changes of domicile. The Company has endeavoured from the outset to remedy this state of affairs and to increase the material welfare of its staff by actively promoting the construction of dwelling-houses.

In the early years it constructed the majority of the new dwelling-houses at its own expense. Later the Company gave assistance for the most part in the form of advantageous mortgage loans to co-operative building societies, the members of which are drawn from among the Company's servants or from building undertakings in which the Reichbahn has an interest.

The number of dwelling-houses constructed since 1924 is about 38,000. In 1929 they numbered nearly 8,000 and the loans granted by the Company totalled R.M. 9 millions or 9 per cent of the total cost of construction estimated at 100 millions. One half of the cost is covered by first mortgages obtained on the market. Of the remaining 41 per cent on an average 11 per cent are covered by the special resources of the builders and 30 per cent by the public subsidies furnished out of a special tax on rents designed to promote building.

The Company has also endeavoured to keep the rent of such new dwellings at a relatively low level. To this end it has reduced its own mortgage rates or has provisionally assumed responsibility for a part of the interest on mortgages granted by others.

General development of Traffic.

Before examining the 1929 results in detail it appears of interest to me to furnish a rapid survey of the development of traffic since the creation of the Company in 1924.

In the following table will be found the most important passenger traffic figures for 1913 and for the years from 1924 onwards.

Year	Number of passengers transported in 1,000,000	Increase (+) or decrease (—) by comparison with the previous year	Number of passenger-kilometers in 1,000,000	Increase (+) or decrease (—) by comparison with the previous year	Mean distance of transport in km
1913 (present system)	1,577	—	36,599	—	23.22
1924	1,907	—	43,381	—	22.75
1925	2,106	+ 10.4%	48,950	+ 12.8%	23.24
1926	1,819	— 13.6%	42,922	— 12.2%	23.59
1927	1,909	+ 4.9%	45,547	+ 6.1%	23.86
1928	2,009	+ 5.2%	47,649	+ 4.6%	23.71
1929 (probable results)	2,000	—	46,700	— 1.9%	23.00

Passenger traffic, which was still depressed in 1924 owing to the separation of the Ruhr and Rhineland system, made a very pronounced recovery in 1925. The latter year was the most favourable of all from the standpoint of passenger traffic. Despite the tariff increases introduced in April and May the volume of traffic was very considerable, particularly in the summer months. This abrupt increase was however exceptional: it was due to the reaction provoked by the resumption of normal activity after the depression of the preceding years.

From the end of 1925 onwards passenger traffic showed a serious decline which continued until the spring of 1927. Since then there has been a certain improvement, and the number of passengers transported increased in 1927 and 1928 respectively by about 5 per cent in comparison with the previous year. The probable results for 1929 are less favourable: the number of passengers transported is much the same as in 1928, and the number of passenger-kilometers has declined by about 2 per cent. These results will be still lower than those of 1925.

The stagnation of passenger traffic is no doubt to a great extent due to the competition of other means of transport, particularly motor transport. In this connection I should mention that road transport doubled in Germany between 1925 and 1929. According to certain counts recently held by the Company private motor car and motor bicycle traffic may be calculated for 1929 at 8.5 milliard passenger-kilometers. Calculated in terms of the receipts lost, the decline of passenger traffic owing to competition from motor transport is estimated by the Reichsbahn at about 13 per cent in 1929. I should add that air transport has greatly developed in Germany

during the last few years: the number of passengers transported rose from 55,000 in 1925 to 111,000 in 1928, which is equivalent to about one-sixth of the number of first-class passengers of the Reichsbahn.

The competition from other means of transport appears likely to increase. Great reserve must therefore be exercised in forecasting the future of passenger traffic, although the growth of the population and the development of trade and industry may ultimately lead to a certain improvement.

Goods traffic has yielded much more favourable results than passenger traffic. In the following table will be found the most important figures for the transport of goods in 1913 and in the years from 1924 onwards.

Year	Tons transported (in 1,000)	Increase (+) or decrease (—) by comparison with the previous year	Ton-kilometers (in 1,000,000)	Increase (+) or decrease (—) by comparison with the previous year	Mean distance of transport (in km)
1913 (present system)	399,000	—	51,429	—	129.00
1924	278,800	—	43,427	—	156.00
1925	373,009	+ 33.8 %	55,965	+ 28.8 %	150.04
1926	381,868	+ 2.4 %	59,016	+ 5.5 %	154.55
1927	434,063	+ 13.7 %	64,888	+ 9.9 %	149.49
1928	432,259	— 0.4 %	66,337	+ 2.2 %	153.47
1929 (probable results)	433,000	+ 0.2 %	68,700	+ 3.6 %	158.70

Between 1925 and the beginning of 1928 goods traffic underwent a considerable and almost uninterrupted development, with the exception of the period between the end of 1925 and the summer of 1926 during which an economic crisis prevailed. The results of 1926 were also affected by the British coal dispute, which resulted in a rapid increase of coal transports in Germany. From the end of 1926 onwards this improvement by degrees extended to all branches of transport under the influence of the general resumption of economic activity. The 1927 results were particularly favourable; the tonnage transported increased by 16 per cent as compared with 1925 and reached the highest figure recorded since the creation of the Company.

It must be noted however that the very remarkable increase of goods traffic between 1925 and 1927 appears to be largely due to the special conditions of German economic development during this period. The work of reconstruction and economic consolidation commenced in 1925. Industry was reorganised according to the methods of "rationalisation"; large stocks were laid in and plant was extended as a result of considerable expenditure on capital account rendered possible by the influx of foreign capital. This

activity culminated in 1927, a year characterised by the increase of production and imports which in their turn were favoured by the growth of consumption on the home market.

When these exceptional conditions disappeared in 1928, economic activity slowed down. The same holds good for the traffic of the Reichsbahn, which since then has made only very slow progress.

Whereas the tonnage transported rose from 382 million tons in 1926 to 434 million tons in 1927, thus increasing by 14 per cent, the 1928 total was only 432 million tons, and the 1929 total will probably be 433 million tons.

In 1928 and 1929 Germany's exports considerably increased, while at the same time the activity of the home market diminished by comparison with 1927. The result has been an increase of Reichsbahn transports to foreign countries, which has no doubt contributed to the higher mean distance of transport, which rose from 149.5 km. in 1927 to 153.5 km. in 1928 and 158.7 km. in 1929.

For this reason the traffic results of the last two years appear more favourable when considered from the standpoint of the number of ton-kilometers: in 1928 the increase was 2.2 per cent by comparison with the previous year and it will probably be 3.6 in 1929.

In this connection it is interesting to point out that the mean distance of transport appreciably increased during the post-war period. This increase, which averages 20 per cent, was no doubt promoted by the introduction of tariffs with declining scales which only took place in 1920. The reform, by allowing of the transport of less costly commodities over long distances, has been of great advantage to the German economy and has encouraged the consignment of raw materials to certain parts of Germany far from the centres of production.

The slower development of goods traffic in the last two years is also due to the growing competition of transport by lorries. According to the Company's calculations the loss of traffic resulting from this competition increased by 35 per cent between 1927 and 1929.

Other causes will doubtless also contribute to retard the development of railway transport in the future, in particular the extension of the high tension system for the conveyance of power, the more general utilisation of liquid fuel and the distribution over long distances of gas produced in the mining centres. In addition the completion of the Midland Canal (Mittelland-Kanal) will deprive the Reichsbahn of important transports of coal and metallurgical products between the Ruhr and the Berlin district.

Admittedly the development of industrial and agricultural production and the growth of general consumption will tend to counteract the above-mentioned tendencies, and will no doubt assist in maintaining and increasing goods traffic in the years to come. Nevertheless the considerations analysed above, which the stagnation of traffic in recent years appears to corroborate, show that the future development of railway transport should be estimated with caution.

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Passenger Traffic.

Development of traffic.

The growth of passenger traffic which began in the spring of 1927 continued in 1928. In the latter year the number of passengers transported increased by 5.3 per cent and the number of passenger-kilometers by 4.6 per cent in comparison with 1927.

Towards the end of 1928 however, and particularly during the first four months of 1929, passenger traffic declined considerably as a result of the exceptionally cold winter and the prevalence of unemployment in Germany.

For the period January—April 1929 the number of passengers transported shows a decline of 4.8 per cent by comparison with 1928, while the number of passenger-kilometers dropped by 7 per cent.

From May onwards, under the influence of the improved economic situation, the decline of unemployment and the development of excursion travel, passenger traffic was less unsatisfactory.

For the period May—August there was an increase of 3.7 per cent by comparison with 1928 in the number of passengers transported, while the number of passenger-kilometers remained much the same as in the previous year.

Below will be found the results of passenger traffic for the period January—August 1929 as compared with the corresponding period of 1928.

	Period January-August		1929 as compared with 1928
	1928	1929	
Passengers transported (in 1000)	1,347,375	1,341,963	— 0.4 %
Passenger-kilometers (in 1000)	32,603,995	31,589,085	— 3.1 %
Mean distance of transport in km	24.22	23.54	— 2.8 %

The number of passengers transported in the period under consideration has therefore approximated to the number in 1928. The number of passenger-kilometers has on the other hand declined by approximately 3 per cent, the average length of journeys having dropped from 24.22 km. in 1928 to 23.54 km. in 1929.

The growth of traffic noticeable since May is due almost entirely to the Berlin urban and suburban system, where passenger traffic shows an appreciable increase since the introduction of electric traction. Whereas the number of passengers transported during the period May—August increased by 12.2 per cent on the Berlin lines, it was the same as last year on the rest of the system.

Taking the period January—August and excluding traffic on the Berlin and Hamburg urban and suburban lines, it will be found

that the number of passengers transported declined by 3 per cent by comparison with the corresponding period of 1928, while the number of passenger-kilometers declined by 5 per cent. In view of the special nature of the Berlin and Hamburg systems these percentages give a more accurate idea of the decline of passenger traffic observable this year.

In September and October passenger traffic seems to have fallen short of the previous year: passenger traffic receipts show a decline in these two months of 0.4 per cent and 3.4 per cent respectively by comparison with 1928.

According to the Company's estimates for the year 1929 as a whole the number of passenger-kilometers is expected to total 46.7 milliards, which would be equivalent to a decline of approximately 2 per cent by comparison with 1928. Compared with 1913 (present system) the probable results for 1929 represent an increase of 27.6 per cent traffic.

The receipts from passenger traffic and baggage for the period January—October totalled *RM* 1,230.7 millions as against 1,241.6 millions for the corresponding period in 1928, or a decline of about 1 per cent. The tariff increases introduced in conjunction with the reform of passenger classes have in part offset the loss of receipts resulting from the decline in traffic.

For the whole of 1929 the Company estimates receipts from passengers and baggage totalling *RM* 1,440 millions as against 1,443 millions in 1928. Compared with 1913 (present system) the probable results for 1929 would represent an increase of 59 per cent.

Despite the decline of passenger traffic the distance covered by passenger trains has increased, rising from 328,566,000 km. for the period January—October 1928 to 348,635,000 km. in 1929. The number of axle-kilometers of passenger trains increased during the same period from 8,671 millions in 1928 to 9,056 millions in 1929.

During the summer holidays the Company ran 422 special trains at reduced fares (as against 564 in 1928) on the most frequented lines. The average number of passengers per train was 667 as compared with 698 in 1928; the total number of passengers dropped by 40 per cent, from 393,414 in 1928 to 281,276 in 1929; the total receipts dropped by 49.5 per cent, from *RM* 13,999,266 in 1928 to 9,363,231 in 1929.

During the Leipzig autumn fair the Company ran 293 special trains this year as compared with 364 in 1928. It is estimated that the increase of traffic due to the fair was 111,900 passengers in 1928 and 105,100 in 1929.

Development of tariffs.

In fixing fares the Company has continued the policy of the former Reichsbahn undertaking, namely that of granting the maximum possible facilities to the less wealthy class of passenger, i. e. workers, employees and schoolchildren travelling with season tickets. The steady increase in the number of journeys at reduced

fares noticeable in recent years, and the low fares charged have very largely wiped out the advantages which the Company derived from the increase of normal fares and have seriously reduced passenger traffic receipts.

Below I shall rapidly summarise the most important measures in respect of passenger tariffs adopted by the Company since its creation.

At the stabilisation of the currency in November 1923 the old Reichsbahn undertaking adopted gold tariffs, as a result of which the charges for the higher classes underwent an exaggerated increase by comparison with 1913, while third and fourth class fares were only raised by 10 per cent. These tariffs resulted in a general trend to the lower classes and it was found impossible to maintain them. They were revised for the first time on December 1, 1923 and were subsequently replaced on March 1, 1924 by the tariffs in force when the present Company was created.

The kilometer rates of these tariffs were on an average 48 per cent higher than those of 1913. But as a result of the trend to the lower classes after the war, the increase in the number of journeys at reduced fares and the very low tariffs applied to them, the average fare per passenger-kilometer (tax included) for the period April 1924—March 1925 was only 16 per cent higher than the 1913 fare. This increase was inadequate in view of the high level of wages and the cost of living at the beginning of 1925.

On April 1, 1925 the Company took the opportunity of an increase in workers wages to raise the monthly and weekly tickets by 25 per cent and season tickets on the Berlin and Hamburg suburban system by 33 per cent. Finally on May 1, 1925 the Company introduced a general 10 per cent increase from which only the season tickets on the Berlin and Hamburg system were exempted.

As a result of these successive increases the average fare per passenger-kilometer in 1926 was 36 per cent and in 1927 33 per cent higher than the 1913 fare.

The tariffs introduced on May 1, 1925 were not amended until October 7, 1928. On that date the Company resorted to a reform of passenger classification accompanied by a revision of tariffs.

This reform was designed to do away with the disadvantages of the four-class system as adopted in Germany. Since the war the amenities of the fourth class passenger cars had been steadily improved and these cars had also been introduced on the speeded-up passenger trains; accordingly the fourth class offered practically the same advantages as the third class with a 50 per cent higher tariff.

The four-class system had another drawback; as the difference between the rates of the several classes was about 50 per cent, the tariffs of the first and second class were relatively high.

Thus on the one hand the first and second classes were very little frequented and on the other hand the third class passengers tended more and more to drift to the fourth class. If the urban and suburban traffic of Berlin and Hamburg is deducted from the total passenger traffic, it will be found that the percentage of second class passengers declined for the period January—August from 1.67 per cent in 1925 to 1.16 per cent in 1928. On the other hand the percentage of fourth class passengers increased from 79.95 per cent in 1925 to 83.79 per cent in 1928. This tendency has entailed a loss of receipts to the Company since 1924 estimated at *R.M.* 34 millions per annum.

By the reform of October 7, 1928 the third and fourth classes were amalgamated and there is now only one wooden-seated class known as the third class and one upholstered class known as the second class. The first class has been retained as a luxury class, but only on international trains, some main line expresses and in sleeping-cars. The kilometer rate of the old fourth class increased by 12 per cent has been applied to the third class. The kilometer rate of the second class has been reduced by 25.3 per cent while that of the first class has been increased by 3.7 per cent.

The result of these changes is illustrated by the following table which gives the kilometer rates before and after the reform.

Tariffs of March 1, 1925		Tariffs of October 1, 1928	
Class	Kilometer rate in Pf. (tax included)	Class	Kilometer rate in Pf. (tax included)
1st class	10.8	1st class	11.2
2nd "	7.5	2nd "	5.6
3rd "	5.0	3rd "	3.7
4th "	3.3		

In addition new regulations have been introduced regarding the supplements collected for fast trains. Thus the old express train supplements have been doubled for the second and third class, and for the through trains for which no supplements used to be charged supplements corresponding to one-half of the express train supplements have been introduced. In addition the number of zones for which supplements are collected for both categories of trains has been increased from three to five.

Season tickets have been exempted from the 12 per cent increase of the old fourth class fare. No change has been made in the tariffs governing the urban and suburban systems of Berlin and Hamburg, the military tariffs and the tariffs for baggage and express goods.

It was thought that the reform of classification would result in an appreciable increase of the number of second class passengers

and would encourage passengers to abandon the slow and through trains in favour of the express trains.

In the following table will be found the distribution of passengers per class (Berlin and Hamburg systems not included) during the period January 1, to August 31, 1929, as compared with the same period in 1928.

Class	Number of passengers transported during the period January 1 to August 31			
	1928	Percentage of total	1929	Percentage of total
1st class	454,587	0.04 %	418,242	0.04 %
2nd "	11,896,878	1.16 %	47,383,440	4.76 %
3rd "	153,858,696	15.00 %	947,074,718	95.20 %
4th "	859,424,619	83.80 %	—	—
	1,025,634,780	100.00 %	994,876,400	100.00 %

These figures show that the Company's expectations as regards the trend of passengers to the second class have been fulfilled and even exceeded; about one quarter of the former third class passengers have transferred to the second class and the percentage of passengers in this class has increased from 1.16 per cent in 1928 to 4.76 per cent in 1929.

The increase of second class passengers largely relates to season ticket travel. According to the counts held in November the number of passengers at reduced second class fares increased from 11,354 in 1927 to 117,996 in 1928. This increase is explained by the fact that the price of second class season tickets on slow trains has decreased by 25.3 per cent. On the other hand it is only 12 per cent higher than for the old third class season tickets. Accordingly a large proportion of employees and school children travelling on season tickets has transferred since the reform from the third to the second class.

The growth of season ticket travel, generally covering short distances, has reduced the average distance travelled second class, which declined for the period January-August from 124.0 km in 1928 to 50.7 km. in 1929. Thus the number of passenger-kilometers in the second class increased during the period under consideration by only 63 per cent, whereas the number of passengers increased by 298 per cent.

For a study of the effects of the reform of classification on the distribution of passengers among the different types of trains only approximate data, obtained from some counts of passengers in trains, are available in the absence of accurate statistics.

Below will be found the proportion of passengers in the various categories of trains according to the average obtained in the counts held in November, May and August before and after the reform.

	Average obtained from counts in November, May and August	
	1928/29	1927/28
Express trains.....	7.00 %	5.60 %
Through trains	4.22 %	3.98 %
Slow trains	88.78 %	90.42 %

The above figures show that since the reform of classes there has been a certain trend of passengers from slow trains to through trains and express trains. Despite the decline of traffic the number of passengers in express trains has increased by 20.8 per cent since the reform. This increase is also due to the fact that the distance covered by these trains has been considerably increased since October 1928.

The following table illustrates the average fluctuations in the number of passengers in different classes and different trains as established in the counts of 1928-29 as compared with the counts in 1927-28.

Class	Express trains	Through trains	Slow trains
1st class	- 13.6 %	-	-
2nd class	+ 20.0 %	+ 72.1 %	+ 22.6 %
3rd class ¹	+ 22.0 %	- 2.9 %	- 8.5 %

¹ 3rd class in 1928-29 compared with the 3rd and 4th classes in 1927-28.

These fluctuations are largely due to the changes introduced in the fares for various classes and in the various categories of trains since the reform. For example the increase in the number of second class passengers is largely confined to the slow trains, as fares on these trains have been uniformly reduced by 25.3 per cent; in the express trains on the other hand the new fares are only lower than the old fares for distances exceeding 375 km. approximately. The decline in the number of third class passengers in the through trains is largely due to the abolition of the speeded-up trains which carried a fourth class without additional charge.

The reduction of passenger classes has made it possible to introduce certain improvements in the operation of services, particularly as regards the composition of trains.

With regard to the financial consequences of the introduction of the two-class system I would recall that, according to the Company's estimates, the reform was to yield an increase of roughly 3 per cent in passenger traffic receipts. It was thought that the new regulations for express and through train supplements and the expected trend of passengers to the second class and to trains for

which supplements are charged would yield considerable additional receipts. These expectations have been fulfilled. For the period January-August the receipts from the second class increased by comparison with 1928 by 32.5 per cent. In the first seven months of the application of the reform the express and through train supplements yielded *R.M.* 68 millions as against the 64.5 millions estimated.

The financial results of the reform have however been unfavourably affected by the great increase in the number of journeys at reduced fares which are exempted from the tariff increase. Secondly the introduction of the two-class system has not helped to multiply journeys as the Company expected. The number of third class passengers who have for the most part had to bear the 12 per cent increase declined for the period January—August by 3.2 per cent. It appears that there has been a considerable trend to motor transport and motor bicycles.

To sum up: for the period October 7, 1928 to August 31, 1929 the receipts per passenger-kilometer, baggage receipts and accessories included, were 3.08 pf. as against 3.02 pf. in the corresponding period of 1927-28. This is equivalent to an increase of 2 per cent. The fare per passenger-kilometer (tax included) for the period under consideration was about 36 per cent higher than in 1913. This increase does not appear to be excessive when one considers that the index for the cost of living in Germany is today 153 (1913 = 100).

Transport Services in Berlin.

The situation as regards traffic on the Reichsbahn Berlin urban and suburban lines calls for detailed analysis, not only on account of the large number of passengers carried on the system (which was equivalent to approximately 20 per cent of the total number of passengers on the Reichsbahn in 1928), but also by reason of the considerable sums devoted to the electrification of these lines.

Electrification was designed to bring the Berlin system up to date in accordance with the latest technical progress and at the same time to abolish the inferiority of these lines by comparison with competing undertakings.

The work of electrification began towards the end of 1926 and on October 7, 1928 the suburban line Erkner-Potsdam, which traverses the Stadtbahn line through the town, was opened for electric operation. On May 15, 1929 the last steam trains were withdrawn from the Ringbahn and the electrification of the Berlin lines according to the Company's original programme was completed. The new line from Jungfernheide to Gartenfeld, which will be opened to traffic in a few days, has also been prepared for electric traction.

The electrification of the Reichsbahn's Berlin system with the resulting service of faster and more frequent trains has brought about an appreciable increase of passenger traffic.

From 1924 onwards traffic on the Berlin urban and suburban lines underwent a very pronounced decline from year to year. The number of passengers transported dropped from 468 millions in 1924 to 354 millions in 1926, which is equivalent to a decline of 24.4 per cent. At the same time the Company's share in the total Berlin traffic dropped from 38.2 per cent in 1924 to 24.5 per cent in 1926. On the other hand the total number of passengers transported on the tramways, the underground and the motor buses increased by 43.5 per cent in 1926 as compared with 1924. This increase was due more particularly to the fact that these undertakings extended the length of their system and at the same time improved operating conditions and rolling stock.

From the summer of 1927 onwards the decline of traffic on the Reichsbahn lines ceased. The growth of passenger traffic observable since that time was originally due to certain changes introduced in the Reichsbahn tariffs and in the tariffs of the competing undertakings of the city of Berlin.

On March 15, 1927 these undertakings adopted a uniform fare of 20 pf., whereas on the Reichsbahn the fare for journeys in the city was only 15 pf. On September 1, 1927 the Company reduced fares for the so-called "Eckverkehr" (journeys between a station on the Ringbahn or Stadtbahn and a station within the first zone of the suburban lines), while the zone in which the 15 pf. fare applied was extended on the suburban lines to compete with the municipal undertakings.

From October 1928 onwards the electrification of the system contributed to the growth of traffic.

As a result of these various measures the number of passengers transported on the Reichsbahn rose from 359 millions in 1927 to 394 millions in 1928, an increase of 9.8 per cent.

The growth of traffic continued in 1929 as is shown by the following figures, giving the number of passengers transported and the receipts for the period January-October in each year since 1924.

Period January-October	Passengers transported (in 1000)	Passenger- kilometers (in 1,000,000)	Receipts (in 1000 <i>R.M.</i>)
1924	401,992	5,352	50,968
1925	335,898	4,104	62,039
1926	299,821	3,418	55,291
1927	300,698	3,250	55,135
1928	331,191	3,839	57,917
1929	356,221	4,263	62,143
1929 as compared with 1928	+ 7.5%	+ 11.1%	+ 7.3%

In the number of passengers transported in 1928 and 1929 are included passengers who utilised the tickets introduced on January 1, 1928 entitling passengers to change from the Reichsbahn

to the municipal undertakings and vice versa. The number of these passengers increased for the period under consideration from 11.6 millions in 1928 to 16.7 millions in 1929.

Briefly then the development of traffic on the Berlin system during the last few years has been very satisfactory: the number of passengers transported during the period January-October 1929 increased by comparison with the corresponding period of 1926 by 18.8 per cent, which is equivalent to an average annual increase of about 6 per cent.

To convey an idea of the growth of traffic resulting from electrification I shall, in the absence of more accurate statistics, give the results of passenger counts on the trains. According to the counts held on September 6 last, the number of passengers on the Stadtbahn, Ringbahn and suburban lines recently electrified had increased by 14.2 per cent by comparison with April 27, 1928. The growth of traffic was 10 per cent on the Stadtbahn, 17 per cent on the Nordring and 12 per cent on the Südring. The greatest increase recorded is on the line Ausstellung-Spandau on the section Spandau-Eichkamp on which the number of passengers per working day rose from 4,470 in 1928 to 15,000 in 1929, an increase of 244 per cent. As regards the other suburban lines, there has been an increase of 29 per cent on the Erkner line, 21 per cent on the Strausberg line, 17 per cent on the Grünau line and 8 per cent on the Ausstellung-Potsdam line.

As regards the additional receipts which this extension of traffic has yielded, it should be recalled that the electrification of the Berlin system has cost the Company the considerable sum of about *R.M.* 185 millions.

For the period January-October 1929 the receipts from the Berlin urban and suburban system totalled *R.M.* 62.1 millions as against 57.9 millions for the corresponding period of 1928, which is equivalent to an increase of 7.3 per cent. During the period under consideration the receipts per passenger-kilometer were 1.46 pf., which is equivalent to about one-half of the receipts per passenger-kilometer (baggage not included) on the system as a whole.

It appears to me of interest to give some information on the combined transport undertakings of the city of Berlin (tramways, underground and motor buses). In order to ensure a rational development of urban transport these undertakings amalgamated on January 1, 1929 to form a company under the title of Berliner Verkehrs-Aktiengesellschaft. The capital of this company is *R.M.* 400 millions and its staff numbers about 24,700; the rolling stock park at present comprises more than 5,500 vehicles of all types; the length of lines operated is about 2,150 km. The amalgamation of the transport undertakings was preceded by the introduction of the uniform 20 pf. fare on March 15, 1927, replacing the 15 pf. fare adopted by the tramways and the underground and motor bus fares varying from 15 to 30 pf. according to class and distance. In this connection I should add that, according to recent press reports, it is now proposed to raise the uniform fare from 20 to 25 pf.

The growth of traffic on the municipal undertakings is illustrated by the following figures, showing the number of passengers transported and the receipts obtained by the tramways, the underground and the motor buses during the period January-October from 1926 to 1929.

Period January- October	Tramways		Underground		Motor buses		Total	
	Passen- gers trans- ported	Receipts	Passen- gers trans- ported	Receipts	Passen- gers trans- ported	Receipts	Passen- gers trans- ported	Receipts
	in 1,000							
1926.....	669,418	88,441	130,902	22,509	91,991	16,203	892,311	127,153
1927.....	641,971	98,098	150,431	26,702	128,898	25,903	921,300	150,705
1928.....	658,107	103,555	166,497	29,823	149,160	29,816	973,764	163,194
1929.....	662,615	102,040	176,344	31,865	174,099	35,142	1,013,058	169,047
1929 as compared with 1928	+ 0.7%	- 1.4%	+ 5.9%	+ 6.8%	+ 16.8%	+ 17.8%	+ 4.0%	+ 3.5%

The above figures do not include journeys involving a change from one means of communication to another.

It will be noted that the number of passengers transported by the tramways, after declining in 1927 when the fare was raised from 15 to 20 pf., again increased in 1928 and 1929. The length of line operated increased from 1,526 km. at the end of 1927 to 1,685 km. on October 1, 1929, while the number of motor cars and trailers rose from 3,641 at the end of 1927 to 3,856 units on October 1, 1929.

The growth of traffic was particularly pronounced in recent years on the underground and the motor bus system. It was due in part to the reduction of fares for long journeys and to the facilities for changing to another means of communication introduced with the uniform fare. Above all the growth of traffic appears to be due to the extension of motor bus and underground services by the municipality, which is indicated by the following figures.

Date	Underground		Motor buses	
	Length of lines in km	Number of railcars and trailers	Number of lines	Number of vehicles
December 31, 1924 ...	49.6	481	16	182
December 31, 1927 ...	52.2	828	29	585
October 1, 1929	59.6	1,040	43	671

The city of Berlin is preparing to extend its underground system still further. At the time of writing several sections with a total length of 11.8 km., prolonging lines already in existence, are under construction. It is also proposed to begin the construction of two city lines with a total length of 8.6 km. during 1930.

It should be noted that despite the extension of motor bus services in recent years this means of transport is less widely used in Berlin than in the other European capitals. In London and Paris for example 40 per cent of the total traffic is carried by motor buses, as against only 12 per cent in Berlin.

The right to change from one means of communication to another, which was conferred by the uniform 20 pf. fare, is increasingly exercised by the public. During the period January–October 1929 the number of journeys with a change was 209.8 millions as against 169.4 millions for the corresponding period in 1928, or an increase of 23.8 per cent.

If these journeys are included, the total number of passengers transported by the municipal undertakings and the Reichsbahn was 1,579.1 millions during the period January–October 1929, as against 1,474.3 millions during the corresponding period of 1928. The total traffic of the city of Berlin therefore shows an increase of 7.1 per cent in the current year. I should add that in 1928 the annual average number of journeys in Berlin was 415 per head of the population.

* * *

Goods Traffic.

Development of Traffic.

After its exceptional development in 1926 and 1927 goods traffic reached a steady level in the spring of 1928, which was maintained down to the end of that year, when there was a pronounced decline as a result of the lock-out in the Ruhr metal industry. For the year 1928 as a whole the tonnage transported was appreciably the same as in 1927, viz. 432.2 million tons as against 434 in 1927.

The decline of traffic observable towards the end of 1928 was still further accentuated in the early months of 1929 as a result of the exceptionally cold weather, which arrested or retarded activity in agriculture, the building industry and the majority of open-air undertakings. I have already explained these facts in detail in my previous report, and I would here merely recall that in February, when traffic reached its lowest level, the number of cars loaded per working day was 127,998 as against 143,360 in 1928, or a decrease of 10.7 per cent.

I should add that the statistical records for the first three months of 1929 clearly illustrate the exceptional conditions under which traffic developed. Whereas the tonnage loaded declined from 109.4 millions in 1928 to 98.1 millions in 1929, the number of ton-kilometers was appreciably the same; that is to say the mean distance per ton markedly increased. This is due to the shifting of long-distance transports from the waterways, which were then closed by ice, to the railways, to the despatch of large consignments

of coal to Austria and to the increase of transports to foreign destinations. The effect of transports over long detours on the Reichsbahn lines, as a result of the suspension of traffic on the lines of certain neighbouring countries, has also to be noted.

From the end of March onwards goods traffic rapidly recovered. Since that time, as illustrated by Annex VIII, the curve of cars loaded per working day has remained appreciably higher than in 1928.

This revival of traffic is largely due, as regards April and May, to certain categories of transports, particularly to fertilisers and building materials which could not be transported in the preceding months. Coal transports were also very considerable as it was necessary to reconstitute the stocks exhausted by the cold spell.

In May when the effect of these arrears of transports ceased to be felt traffic continued to be favourable. The period April-August showed an increase of 6.4 per cent in the tonnage loaded and 6.9 per cent in the number of ton-kilometers by comparison with the corresponding period of 1928. It appears that these results are due to the improvement which has taken place in the meantime in Germany's economic condition.

Whereas in the first three months of the year the output of coal and iron was much the same as in 1928, during the period April-October production increased by comparison with 1928 by 11.7 per cent in the case of coal, 7.1 per cent in the case of lignite and 10.2 per cent in the case of steel.

For the period January-October the figures for the production of coal and iron have been as follows.

January-October	Coal	Lignite	Coke	Pig Iron	Steel
	in 1000 tons				
1928.....	125,916	137,213	28,831	10,654	13,054
1929.....	135,627	145,172	31,918	11,206	13,802
1929 as compared with 1928.....	+ 6.9 %	+ 5.8 %	+ 10.7 %	+ 5.3 %	+ 5.7 %

Unemployment, which reached its highest level in February with a total of 2,460,800, rapidly declined from March onwards, although during the summer months it remained considerably higher than in 1928.

Activity in the building industry has been very considerable since the summer; altogether during the period January-October, in the 96 towns covered by the statistics, the number of dwelling houses on which construction began was 104,098 as compared with 77,507

in 1928, or an increase of 34 per cent. On the other hand the number of dwellings completed declined during the same period by about 4 per cent.

During the summer a certain improvement in industrial activity, particularly as regards the export of iron and steel goods, was to be noted. It is of interest in this connection to observe that the tonnage transported under the AT 35 tariff, which applies to exports of iron and steel goods through German seaports, amounted for the period January-June to 456,322 tons in 1928 and increased to 736,834 tons in 1929 or by 61 per cent.

Such are the various phases, together with their chief causes, through which goods traffic has passed during the first half of 1929. In completion of the above information the following table furnishes the gross traffic results for the period January-August 1929. These are the only definite results at present available; for comparative purposes the parallel results of 1927 and 1928 have been attached.

	Period January-August			1929 as compared with 1928
	1927	1928	1929	
Tons transported..... (in 1000)	279,101	285,181	285,265	—
Ton-kilometers..... (in 1000)	42,400.267	43,984.488	46,007.627	+ 4.6 %
Mean distance of transport (in km.)	151.92	154.23	161.28	+ 4.6 %

Whereas during the period under consideration the tonnage transported was the same as in 1928, the number of ton-kilometers increased by 4.6 per cent, representing an increase of 4.6 per cent in the mean distance of transport. During the summer and with the restoration of normal transport conditions the mean distance per ton was appreciably the same as last year.

The development of goods traffic in the period subsequent to August is illustrated by the following table, which gives the number of ton-kilometers and cars loaded in comparison with the 1928 figures.

	Ton-kilometers (in 1,000,000)		1929 as compared with 1928	Number of cars loaded per working day		1929 as compared with 1928
	1928	1929		1928	1929	
January-August	43,984	46,008	+ 4.6	147,334	149,211	+ 1.3 %
September	6,258	5,997	— 4.2	161,451	159,204	— 1.4 %
October	6,048	6,323	+ 4.5	162,039	164,964	+ 1.8 %
November	—	—	—	158,264	164,935	+ 4.2 %

It will be noted that September shows a decline by comparison with 1928. This decline is only apparent, being due to the exceptional increase of transports last year prior to October 1, the date on which the higher tariffs came into force. In October and November of the present year the development of goods traffic continued to be satisfactory as a result of large transports of coal and agricultural products. In this connection I would observe that the cereals harvest, although it did not reach the high total of 1928, was 10.5 per cent greater than in 1927 with a total of 213.9 million quintals.

The statistics at present available allow of an approximate estimate of the traffic results for the entire year. The tonnage transported may be expected to reach 433 millions as against 432 millions in 1928, and the number of ton-kilometers 68.7 milliards as against 66.3 in 1928. Calculated in terms of ton-kilometers the increase of traffic in 1929 by comparison with 1928 should be 3.6 per cent.

If on the other hand the probable results of 1929 are compared with those of 1913 (system reduced to present frontiers) the tonnage transported has increased by 8.5 per cent and the number of ton-kilometers by 33.6 per cent.

The receipts from goods traffic during the period January-October totalled *R.M.* 2,924,992 as against 2,736,060 in the corresponding period of 1928, which is equivalent to an increase of 6.9 per cent.

For the whole year receipts are estimated at *R.M.* 3,505 millions or an increase of 7 per cent by comparison with 1928. Compared with goods traffic receipts in 1913 (system reduced to present frontiers) the probable results for 1929 represent an increase of roughly 82 per cent.

It further appears of interest to furnish some information on coal transports on account of the exceptional importance of these transports to the Company. In 1928 they represented 36.6 per cent of the total commercial tonnage transported and 23.4 per cent of the goods traffic receipts.

In the first place it will be observed that the results of general goods traffic present an entirely different aspect when coal transports are deducted from the total volume. When this is done the tonnage transported in the period January-August shows a decline of 5.4 per cent (171.1 million tons in 1929 as against 181.8 in 1928), whereas it is much the same in both years when coal transports are included. Similarly the number of ton-kilometers shows a decrease of 2.6 per cent (28 milliards instead of 28.8) instead of an increase of 4.6 per cent.

Coal transports on the other hand, particularly transports of coal proper, greatly increased in 1929, as is shown by the following figures for the period January-August in 1928 and 1929.

Year	Tons transported (in 1,000)			Ton- kilometers (in 1,000)	Receipts (in 1,000) <i>M.</i>	Receipts per ton- kilometer in Pf.
	Coal	Lignite	Total			
1928	67,588	36,746	104,334	15,206 411	499,994	3.28
1929	75,522	38,620	114,142	17,976 585	593,747	3.30
1929 as com- pared with 1928	+ 11.7	+ 5.1	+ 9.4	+ 18.2	+ 18.8	+ 0.6

This increase, due to the severe cold in the first few months of the year, was caused by the suspension of traffic on the waterways, the growth of coal exports by rail and lastly by increased consumption at home.

The general coal tariff, it will be remembered, was increased by about 7 per cent on October 1, 1926. It should be noted however in the above table that the receipts per ton-kilometer of coal transports remained much the same in 1929 as in 1928. This is due to the fact that in the first three months of the year there was much long-distance transport which, owing to the scaling of the tariff, yields a very low return per kilometer. Secondly the tariff increase did not affect distances of less than 50 km. and about 30 per cent of the total coal tonnage is transported over such short distances. As I shall indicate subsequently, the very low level of the receipts per kilometer in the case of coal transports unfavourably affected the general results of goods traffic.

The development of transports in the most important German coalfields is illustrated by the following table, which gives the average number of cars loaded per working day during the period January-October in 1928 and 1929.

Coalfield	1928	1929	1929 as compared with 1928
Ruhr	26,472	29,806	+ 12.6 %
Upper Silesia	5,808	6,693	+ 15.2 %
Lower Silesia	1,414	1,517	+ 7.3 %
Central Germany	9,693	9,960	+ 2.7 %

It will be noted that the increase of coal transports is largely confined to the Ruhr coalfields and Upper Silesia. In November the position continued to be favourable.

Coal transports for the service of the Company, which totalled 10,007,100 tons for the period January-August 1928, this year totalled 10,628,836 tons in the corresponding period. The increase is due to the greater distance covered by locomotives: the number of locomotive-kilometers (steam traffic) during the period under consideration rose from 676,348,000 in 1928 to 705,571,000 in 1929.

Annex IX shows the distribution of the tonnage transported during the period January-August in 1928 and 1929 according to its origin and destination, together with the service transports of the Company, coal included. It will be noted that transports of foreign origin diminished during the period January-August by 8.2 per cent, whereas transports for foreign destinations increased during the same period by 22.1 per cent. This is in accordance with the development of German foreign trade: during the period January-October imports fell from 56.0 million tons in 1928 to 55.7 million tons in 1929; on the other hand exports increased by approximately 14 per cent, rising from 50.4 million tons in 1928 to 57.4 million tons in 1929.

The service transports of the Company, coal included, totalled 32,512,503 tons for the period January-August. In the case of goods other than coal, service transports free of charge increased during the period under consideration from 17,530,029 tons in 1928 to 20,413,397 tons in 1929. This increase is due to the extension in 1929 of works for the upkeep and renewal of the permanent way.

Below will be found some figures relating to goods trains, service trains not included, for the period January-October 1928 and 1929.

	January-October		1929 as compared with 1928
	1928	1929	
Train-kilometers (in 1000)	206,813	217,519	+ 5.1 %
Axle-kilometers of goods trains (in 1000)	16,315,687	16,939,064	+ 3.8 %
Average number of axles per train ...	79	78	— 1.2 %

Development of normal tariffs.

The Railway Law stipulates that the Company shall "operate the railways in accordance with business principles, due regard being paid to German economic interests" and this provision has been observed particularly in regard to tariff policy. The measures adopted in this sphere since the creation of the Company have been inspired by the constant aim of encouraging economic development. Wherever possible, the Company has avoided tariff increases and has instead endeavoured to swell its receipts by expanding traffic.

In the conduct of its tariff policy the Company has been assisted, particularly as regards normal tariffs, by the standing committee on tariffs which includes representatives of the various branches of the national economy. All the more important measures have in addition been approved by the Reichseisenbahnrat, which is a body advising the Transport Minister on tariff matters.

I shall here rapidly summarise the development of goods tariffs in recent years, with reference in the first place to the modification of normal tariffs.

At the stabilisation in November 1923 the railways were obliged, owing to financial needs, to introduce goods tariffs at practically double the pre-war rate. In the course of 1924 however, in order to encourage the economic recovery of the country suffering from a post-stabilisation crisis, not only were a large number of special tariffs re-introduced but successive general reductions were made. The last reduction to the extent of 10 per cent was introduced on the eve of the Company's creation. Thus towards the end of 1924 the average transport rates had been considerably reduced and averaged about 44 per cent more than in 1913.

Since then, despite the growth of expenditure on staff and the decline of traffic which set in towards the end of 1925, the Company has granted numerous tariff reductions in favour of industry, trade, the seaports, river-shipping and certain parts of the country. I shall refer subsequently to the extension by the Company of the special tariffs for imports and exports, transit traffic and coal.

As regards measures adopted in respect of normal tariffs—leaving aside many advantages of secondary importance granted in the form of reclassification—I would recall the reduction of 10 per cent granted on foodstuffs and the reductions for potatoes and cereals from East Prussia. In addition, in order to meet the demands of industry, the Company granted (in the form of reclassification) a 15 per cent reduction on machinery and other iron and steel wares, a 30 per cent reduction on agricultural machinery and a 15 per cent reduction on hides in October 1926. These measures entailed a loss of *R.M.* 6.3 millions of receipts per annum to the Company.

The tendency to lower tariffs was still further accentuated in 1927, when the development of traffic and the growth of receipts enabled the Company to revise normal tariffs and at the same time to grant important reductions in transport rates.

The reform was designed to establish a more rational tariff system more in conformity with present economic conditions in Germany, while at the same time eliminating certain inequalities. Complaints were in fact made at the time that the tariff system was too severe on finished and half-finished goods by comparison with raw materials, and that short-distance transports were overcharged by comparison with long-distance transports.

By the reform introduced on August 1, 1927 the number of normal categories was raised from six to seven; the basic rates of the old categories E and F, which in general include all raw materials, were not changed; but the basic rates of the higher categories A, B, C and D, which chiefly include finished and half-finished products, were reduced.

In addition, for the purpose of reducing the cost of short-distance transports, the consignment charge formerly invariable for all distances was appreciably reduced for distances under 101 km.

The reform of the tariff system was completed by a reduction of the tariff for 10-ton consignments. This measure was urgently demanded by a large number of manufacturers and traders who are not able to dispatch 15-ton consignments.

This reform of normal tariffs represented a reduction of transport costs for the German economy in the neighbourhood of 80 million marks.

The financial consequences of all the reductions granted between 1925 and 1927 are clearly indicated by the steady decline in the receipts per ton-kilometer on commercial transports. The receipts dropped from 4.92 pf. in 1925 to 4.70 pf. for the period August 1 1927 to July 31, 1928, a decline of 4.5 per cent. Thus towards the end of 1927 the average transport charges, tax included, showed an increase of 37 per cent by comparison with 1913, whereas at the creation of the Company the increase was 44 per cent.

The policy of tariff reduction pursued by the Company until 1927 was rendered possible by the increase of receipts due to the growth of traffic which was particularly marked in 1926 and 1927. But in 1928 the financial position was reversed. On the one hand receipts yielded only a slightly larger total than in 1927 as a result of the stabilisation of traffic, and on the other hand the Company's expenditure on staff was increased by approximately 460 millions owing to the raising of salaries and wages.

In the circumstances the Company was obliged to resort to a general tariff increase which came into force, in the case of goods, on October 1, 1928.

The rate of increase was fixed at 11 per cent and applied to all tariffs with the exception of the foodstuffs tariffs, the exemption of which was demanded by the Government, and the whole of the so-called competitive tariffs. The competitive tariffs comprise the transit tariffs, the import and export tariffs for the seaports, the tariffs directed against the competition of motor transport and the tariffs applied subject to the consignment of a specified tonnage.

In conjunction however with the general increase a special 22 per cent reduction was granted on the normal tariffs for iron and steel wares of categories A to D exported over the land frontiers, and a 15 per cent reduction was granted for straw and hay. In addition a reduction of 2 pf. per 100 kg. was granted on the consignment charge for coal, so that as the combined result of this reduction and the general increase of 11 per cent the transport charges for coal were on an average increased by 7 per cent as compared with the tariffs in force prior to October 1, 1928.

The additional receipts to be derived from the general tariff increase were estimated at *R.M.* 200 millions which represents an increase of 6.5 per cent by comparison with the total receipts from goods traffic. Actually for the period January-August 1929 the receipts per ton-kilometer from commercial transports worked out at 4.83 pf. as against 4.63 pf. for the corresponding period of 1928 — an increase of only 4.3 per cent.

This result, which is considerably short of the estimates, is due to the fact that the receipts per ton-kilometer from coal transports

(which represent 39.8 per cent of the total number of ton-kilometers) remained at the 1928 level during the period under consideration. In the case of goods transports other than coal the receipts per ton-kilometer increased during the period January-June 1929 by 8 per cent as compared with 1928.

The very low receipts per kilometer in the case of coal transports have had a very unfavourable influence on the results of traffic as a whole. Thus until October, despite a 4 per cent increase in the number of ton-kilometers and an average increase in tariffs of 6.5 per cent, the total receipts from goods traffic increased by only 6.9 per cent by comparison with 1928.

It is interesting to compare the new tariffs resulting from the increase introduced on October 1, 1928, with the normal tariffs in force before the war. The following table shows the transport charges of the normal categories for a distance of 200 km. as calculated under the present tariffs and under the 1913 tariffs.

Category	Rate in Pf. per 100 kg. for full car-loads, 15-ton category						
	A	B	C	D	E	F	G
1913.....	132	132	102	82		56	51
Present rate	250	208	172	142	118	91	68
Increase by comparison with 1913.	+ 89 %	+ 57.6 %	+ 68.6 %	+ 73.2 %		+ 62.5 %	+ 33.3 %

If accurate conclusions are to be drawn from this table it must be remembered that the increase by comparison with 1913 diminishes as the distance increases owing to the manner in which the tariffs are scaled, and that approximately 84 per cent of the total tonnage is transported under tariff categories F and G or under special tariffs, that is to say the tariffs in which the percentage of increase is the smallest. For these reasons the average increase in transport charges by comparison with 1913 is much less than might be thought from the above table. The average receipt per ton-kilometer on commercial transports during the period January-August 1929 worked out at 4.83 pf. Allowing for the transport tax the average charge per ton-kilometer during the first half of this year is only 41 per cent higher than in 1913.

This increase does not appear excessive when one considers that the total expenditure on staff of the Reichsbahn in relation to the numbers of the staff has increased by 118 per cent, as compared with 1913, and that the cost of coal utilised by the Company has increased by 50—60 per cent.

Below will be found a comparison of transport charges for some of the most important commodities in Germany and neighbouring countries on June 1, 1929.

Complete car-loads — Charge in <i>RM</i> per 1 ton over a distance of 100 km.						
	Germany	Sweden	Switzerland	France	Italy	Czechoslovakia
Coal	4.30	6.62	10.50	5.14	4.78	5.78
Sawn timber.....	7.40	6.62	9.05	7.93	7.16	6.21
Cereals	8.60	10.32	11.87	6.91	5.47	7.58
Machine tools.....	11.80	13.68	14.78	11.53	15.70	8.61
Iron ore	3.90	4.58	11.87	4.13	5.67	3.80
Cement	5.30	5.27	10.50	6.39	5.84	5.79
Potatoes	3.30	7.74	10.98	7.04	4.78	5.23
Rails	8.10	6.62	14.05	7.84	7.36	7.70

It follows from this table that taken as a whole German goods tariffs are if anything lower for a distance of 100 km. than those of the other countries under consideration. Over long distances the position is slightly different, for the reduction of tariffs is less pronounced in Germany than in the other countries in general.

With regard to foreign goods tariffs I should add that increases were introduced during 1929 in several countries bordering on Germany. In Belgium goods tariffs were increased on an average by 10 per cent on March 1; in Poland they were amended and raised on an average by 15 per cent on October 1, 1929; and in Austria a tariff reform entailing increases varying according to categories and distances was introduced on May 1. Tariff increases were also introduced in Russia, Bulgaria and Yugo-Slavia.

Special tariffs.

During the inflation almost all the special tariffs in force before the war were abolished as the normal tariffs were already very low. They have been progressively reintroduced since the first year of stabilisation and since its creation the Company has increased their number still further, at the same time extending their range of application.

The Reichsbahn has thus succeeded in considering all important economic interests, while avoiding as far as possible modifications of normal tariffs entailing a considerable loss of receipts. The extension of the special tariffs has moreover helped to increase or maintain traffic by attracting transports which otherwise would have benefited foreign railway companies with competing lines, motor transport or waterways.

The importance of the special tariffs in the German system is illustrated by the fact that in 1928 the transports effected under these tariffs represented 62 per cent of the total commercial tonnage, 63.4 per cent of the number of ton-kilometers and 44.8 per cent of the receipts.

The most important special tariff is the tariff AT 6 which applies to coal transports coming from the centres of production. This tariff has been modified on various occasions since the creation of the Company.

In January 1927 the transport charge for Upper Silesian coal was reduced by 10 pf. per ton. As a result of this measure coal from this area is transported on the same terms as coal from the Rhenish-Westphalian area. In October 1928 on the occasion of the general tariff increase, which also affected coal, the consignment charge of tariff AT 6 was reduced by 2 pf. per ton. At the present time coal transport charges for distances up to 300 km. show an average increase of 50 per cent by comparison with 1913. This increase roughly corresponds to the increase in the price of coal of the qualities normally used by the Reichsbahn. But as the present tariff is graduated more narrowly than before the war, the increase of transport charges diminishes by comparison with 1913 as the distance increases, and for distances of over 825 km. the difference disappears.

With the object of reducing the import of foreign coal into Germany the Company abolished the application of tariff AT 6 as from October 1 last in the case of coal consignments from the seaports and the trans-shipment riverports. Henceforth the rates of normal category F apply to such consignments and this is equivalent to an increase of 11 to 16 per cent by comparison with previous prices.

I should add that foreign coal also is not allowed to benefit by the reduced rates of trans-shipment tariff AT 6 u which applies to transports between the Rhine and Main ports and the South German towns. Since the end of 1928 this reduced tariff is only applied to coal consignments transported for some distance on the Reichsbahn before shipment on the Rhine.

The coal tariffs have also been subject to many reductions by comparison with the general tariff, with the object of facilitating the supply to certain districts in Germany, in order to encourage sales in coastal districts and lastly to assist exports.

With regard to the measures in favour of specified districts I would mention the reduction on coal transports from the Ruhr to the Siegerland area, the reduction of the rates of trans-shipment tariff AT 6 to certain stations in Wurtemberg and Baden, and lastly the reductions of *RM* 1.30 and *RM* 1.00 per ton granted on German coal destined for East Prussia and East Pomerania. In addition the Reichsbahn introduced a new special tariff in July 1928 for coal destined for the power, gas and water works of the city of Berlin. It is interesting to note that the important reduction conceded under this tariff was only rendered possible by the saving resulting from the use of complete trains, composed entirely of large capacity cars automatically discharged.

In order to increase sales of German coal in the North Sea and Baltic coastal districts* the Company introduced lower tariffs in May 1925 for coal from the Ruhr and Silesia destined for these regions. Gradually the advantages of these reduced tariffs have been extended to all the most important German coal and lignite areas. The tonnage transported under these tariffs increased for the period January—June from 2,989,167 tons in 1927 to 6,217,156 tons in 1929. The application of the tariffs in question

is conditional upon the consignment of a specified tonnage. The reduction granted varies according to the coalfields where the coal is mined and their distance from the coast; in the case of bunker coal for example the reduction on the general tariff is as much as 45 per cent.

With the object of enlarging the export of German coal the Company has in recent years introduced numerous tariffs for coal transports from the most important coalfields to France, Italy, Austria and Czecho-Slovakia.

As a result of the reduction of the many special tariffs to which I have just referred, 13.6 per cent of the total coal tonnage was transported in 1928 at rates appreciably lower than those of the general tariff AT 6.

Since its creation the Company has greatly extended the reduced tariffs for the German seaports, thus facilitating imports and exports of various commodities and at the same time assisting the development of the ports.

These tariffs already existed before the war, particularly on the Prussian system, and they were re-introduced in 1924; but it is only since 1925 that the Company has, simultaneously with the reduction of rates, considerably increased their number and has applied them to new categories of goods. I would only mention the new reduced tariffs for exports of cellulose, aluminium, cotton fabrics, dyestuffs, lorries and iron wares of category E and in collective consignments.

The tonnage transported under the seaport tariffs increased from 5,455,000 tons in 1925 to 7,538,000 tons in 1928; simultaneously the receipts dropped from 4.5 pf. per ton kilometer in 1924 to 4.1 pf. in 1928. The reduction granted under these tariffs varies according to the distance between the seaports and the stations of origin or destination; it is particularly pronounced in the case of German stations situated within the area of attraction of foreign seaports.

In river shipping circles the Company's policy in regard to the seaport tariffs has frequently been the subject of criticism, and the extension of reduced tariffs to the river ports has been demanded. But it must be remembered that the seaport tariffs are largely tariffs in competition with foreign countries and are designed to stimulate traffic in the big German ports. If the Company agreed to extend these tariffs to the river ports, it would lose—to the profit of waterways—the long-distance transports which it secures under present conditions.

The seaport tariffs apply to import and export traffic in Germany. But in order to attract traffic from neighbouring countries to the German ports the Company has since 1925 greatly extended the so-called SD tariffs for transports between the frontier stations of Switzerland, Austria, Czecho-Slovakia and Poland on the one hand and the German seaports on the other hand. The rates of these tariffs are regulated according to the rates in force on the foreign lines terminating at foreign seaports, and for this reason it has been necessary to revise the tariffs several times in recent

years. For example on October 1 last the rates of tariff SD 2, which applies to traffic between the Swiss frontier stations and the German seaports, were reduced on an average by 12 per cent in order to allow for the reduction of the French transit tariffs.

Among the measures designed to increase the Company's traffic and at the same time to ensure the prosperity of the German seaports mention may briefly be made of the agreement concluded in June 1928 between the Reichsbahn and the foreign companies interested in traffic to the Adriatic, in order to make an end of the tariff war between Hamburg and Trieste. As a result of this agreement Czecho-Slovakian traffic is to a certain extent divided between the two ports in question by a line of demarcation running a little south of Prague. In the case of Austria it has been agreed that the tariffs applied to transports effected by rail only between that country and the German ports shall be from 12 to 15 per cent higher than the tariff between Austria and Trieste. On the other hand for combined Reichsbahn—Danube traffic the total transport charges for the distance Hamburg—Passau—Vienna may be equal to the transport charges between Vienna and Trieste. This agreement has enabled the Reichsbahn to raise some of its tariffs and to terminate a costly struggle.

In order to take advantage of Germany's favourable geographic position in relation to the principal arteries of European traffic, and with the object of attracting important transports to its system, the Company has since its creation granted numerous reduced tariffs for transit across the land frontiers. The rates of these tariffs are generally adjusted to those in force on rival foreign lines. The transports effected under these transit tariffs increased from 759,000 tons in 1925 to 2,566,000 tons in 1928; simultaneously the receipts per ton-kilometer from these transports dropped from 2.8 pf. in 1925 to 2.6 pf. in 1928.

As regards the trans-shipment tariffs in favour of the river ports granted since the creation of the Company, I would mention the tariff system for the Danube ports (which comprises a general tariff for exports and a number of special tariffs), the development of the trans-shipment tariffs for the Rhine and Main ports, and the tariffs for ports on the upper Oder. But, as I have already pointed out, the Company has to restrict its tariff policy in this direction owing to the danger of traffic being deflected to the waterways.

In conclusion I should mention that, as a result of the numerous reductions granted by the Company, the receipts per ton-kilometer from transports effected under the special tariffs dropped from 3.68 pf. in 1925 to 3.31 pf. in 1928, which is equivalent to a decline of 11 per cent. By comparison with 1913 the 1928 receipts show an increase of 31 per cent.

Competition from motor traffic.

In Germany as in other countries the railway has each year to face increasing competition from motor transport. Such competition entails a very great loss of receipts to the Reichsbahn and the question deserves to be considered in detail.

In recent years the automobile industry in Germany has been able to lower its prices and rapidly to increase output, as is shown by the following figures published by the "Statistik des Reichs."

German output of	1925	1928
Motor bicycles	55,980	162,212
Motor cars	47,847	108,143
Motor buses, lorries and miscellaneous vehicles	22,270	40,990
	126,097	311,345

At the same time the import of foreign automobiles has appreciably increased. For the period January-October the number of imported motor vehicles of all kinds rose from 9,554 in 1925 to 14,096 in 1929, and the number of motor bicycles from 3,631 in 1925 to 7,436 in 1929.

As a result of increased national output and foreign imports the number of cars in circulation has rapidly increased, as is shown by the following figures illustrating the position on July 1 during the last few years.

Vehicles in circulation	1926	1927	1928	1929
Motor bicycles	263,345	339,226	438,288	608,342
Motor cars	201,401	261,142	342,784	422,612
Motor buses, lorries and miscellaneous vehicles	107,147	123,567	152,240	183,105
	571,893	723,935	933,312	1,214,059

By comparison with last year motor bicycles show the greatest increase, viz. 38.8 per cent. Next to them come motor tractors with an increase of 32.1 per cent, ordinary cars with 30 per cent, omnibuses with 23.2 per cent and lastly lorries with 18.1 per cent.

In Germany there is now one automobile per 111 inhabitants as compared with 1 per 134 inhabitants in 1928. In other countries there are at present in Great Britain one car per 35 inhabitants, in France 1 per 38 inhabitants and in Belgium 1 per 71 inhabitants. It will be seen therefore that despite the progress already made there is still a large margin for the development of motor traffic in Germany.

Simultaneously with the increase in the number of motor vehicles, motor transport services have steadily developed in Germany. The most important of these services are organised by the Reichspost and by the Kraftverkehr Deutschland G. m. b. H.

The results of the operation of the postal services are shown in the following table.

Year	Number of Postal Services	Length of Postal Services (in km.)	Distance covered (in 1,000 km.)	Number of passengers transported (in 1,000)
	at the end of the business year			
1924-25	583	10,547	10,100	8,507
1925-26	1,241	23,848	26,100	24,818
1926-27	1,482	28,275	38,200	36,100
1927-28	1,722	32,094	50,500	52,700
1928-29	1,963	37,172	59,400	68,800

The number of motor buses, which was 130 in 1910, rose from 2,894 on March 31, 1928, to 3,298 on March 31, 1929.

With regard to the development of traffic of the motor transport companies affiliated to the Kraftverkehr Deutschland I should add that the number of passengers transported by these companies rose from 49.3 millions in 1927 to 74.2 millions in 1928, while simultaneously the number of lines increased from 380 in 1927 to 511 in 1928. On the other hand goods traffic results were less favourable: the distance covered by lorries declined from 9.88 million km. in 1927 to 8.90 million km. in 1928.

The Reichsbahn has also organised motor services under the name of Eisenbahnkraftwagenverkehr, which are for the most part run in conjunction with the companies affiliated to the Kraftverkehr Deutschland. Below will be found the results obtained by these services during the first six months of 1927, 1928 and 1929.

Period January to June	Number of lines	Passenger traffic		Goods traffic		Receipts	
		Distance covered by motor cars km.	Number of pas- sengers	Distance covered by lorries km.	Tons trans- ported	Pas- sengers <i>R.M.</i>	Goods <i>R.M.</i>
1927	57	310,000	540,000	410,000	116,000	—	—
1928	71	541,825	931,606	504,920	121,358	459,261	579,207
1929	100	947,490	1,630,505	535,589	111,014	762,044	522,544

From the standpoint of passenger traffic the results of these joint services are very satisfactory: the number of passengers transported increased during the first half of 1929 by 75 per cent as compared with the corresponding period of 1928. On the other hand, as is also to be noted in the case of the companies affiliated to the Kraftverkehr Deutschland, goods traffic yielded less favourable results and the tonnage transported declined by 8.6 per cent.

Upon examination of the nature of competition between motor and rail transport in Germany it will be seen that, despite the important part played by the regular motor services, the chief danger to passenger traffic resides in the motor bicycles and private cars, while in the case of goods traffic the chief danger is that from occasional transports organised by factories or individuals for their own needs or by collective consignors.

In order to calculate the loss of receipts resulting from the competition of motor traffic as accurately as possible, the Company caused its Districts to hold detailed enquiries locally together with counts on the roads during the summer months.

In the case of passenger traffic the loss of receipts resulting from the regular motor services of the Reichspost and the Kraftverkehr Deutschland is estimated, after the deduction of receipts from traffic brought to the Reichsbahn, at *RM* 37 millions per annum. But the greatest loss of traffic suffered by the Railway is that due to private motor cars, taxis and motor bicycles. The average daily number of vehicles counted on the road in Germany was 296,000 automobiles and 160,000 motor bicycles, carrying about 975,000 persons. On the basis of these counts the 1929 road traffic was calculated at 8.5 milliards passenger-kilometers, and the resulting loss of receipts to the Reichsbahn at between 150 and 160 millions. By adding the loss caused by the regular motor services, the total loss of receipts for 1929 is brought up to 190 millions.

In the case of goods traffic, transports by lorry in competition with the railway over distances exceeding 10 km. were the subject of calculation. The loss of receipts through these transports was estimated, after deduction of the savings realised in operating expenditure of the Reichsbahn, at 220 millions per annum. It is interesting to note that approximately 60 per cent of the loss is due to transports effected by the factories with their own lorries, and 30 to 40 per cent to transports effected by consignors or other transport undertakings. Moreover transports of parcel consignments and goods of the higher categories A to C are responsible for the greater part of the loss in receipts; transports of goods of the lower categories are responsible for only 10 per cent of the loss.

The total loss of receipts suffered by the Reichsbahn in passenger and goods traffic through competition from motor traffic is estimated for 1929 at *RM* 410 millions, which is equivalent to 7.6 per cent of the total probable receipts for the current year. I should recall that in 1927 a committee appointed by the Reichsbahn estimated the loss of receipts through the competition of motor traffic at *RM* 255 millions. The increase in the loss between 1927 and 1929, equivalent to 60 per cent, corresponds pretty closely to the increase of 67 per cent in the number of motor vehicles in circulation between 1927 and 1929.

The calculation of the above figures necessarily involves a considerable number of uncertain elements. Moreover, the growth of automobile transport and of the automobile industry has led to a general increase of traffic in the country, which has benefited the Reichsbahn and has reduced the effects of competition. Nevertheless such competition in the aggregate certainly entails a very serious loss of receipts to the railway.

Under these circumstances the Reichsbahn has been obliged to consider the measures most appropriate for the protection of its traffic. On the one hand the Company has endeavoured to secure a certain amount of influence over road traffic by co-operating with motor transport companies; on the other hand it has introduced tariff measures in defence of its traffic.

The policy of close co-operation with the motor-transport companies pursued by the Reichsbahn in recent years has not met with the desired success. This is due above all to the financial results of the motor transport companies in which the Company is interested, which are frequently unsatisfactory. The Reichsbahn was obliged to abandon this policy and by mutual agreement dissolved the contract with the Kraftverkehr Deutschland as from November 15, 1928. The Company thus regained its freedom of action and was able on June 28, 1929, to conclude a very interesting agreement with the Reichspost.

This agreement aims at a rational and economical organisation of road transport. It provided for close co-operation between the two undertakings, particularly as regards passenger traffic. The agreement does not apply to passenger motor services of the Reichspost in existence before April 1, 1929. Motor services opened after that date by one of the contracting parties or to be opened in the future will be operated by the Reichspost. New services cannot be created without the consent of both parties. In the case of services jointly operated by the two undertakings the profits are distributed on a scale which varies according to whether or not the services compete with the railways.

The agreement provides in certain cases for the introduction of direct tariffs for combined rail and automobile services, and also for the introduction of tickets valid on the railway or on the motor services according to the passenger's choice.

The contracting parties have agreed to render mutual assistance in the event of competition by third parties, and not to conclude new agreements on road passenger traffic with such third parties.

In the case of goods traffic motor services the Reichspost has recognised that road traffic as a whole in principle belongs to the Reichsbahn, except for the transports of postal parcels.

The agreement further provides for mutual assistance by the two undertakings, both in the case of passenger and goods traffic, with reference to the utilisation of petrol (gasolene) stations, garages and repair shops. The Reichsbahn has to place its booking offices and baggage despatch offices at the disposal of motor traffic, and has to facilitate the transference of passengers from trains to the motor vehicles of the Reichspost. Provision is also made for the Reichsbahn and the Reichspost to assist each other with their staff and service equipment in the event of an exceptional increase of traffic or in case of accidents.

The agreement of which I have summarised the most important provisions ensures to the Reichsbahn a certain degree of control of road passenger traffic, particularly in the case of services run parallel with the railway. Profiting by the assistance of the Reichspost and by its experience in motor transport the Company can, in agreement with the Reichspost, complete and perfect passenger services by the creation of new motor services, without however being obliged to participate in lines which are of no interest to it or might involve it in a loss of receipts.

As regards road goods traffic the Reichsbahn, under the terms of the contract, has a free hand to operate motor freight services itself or through third parties without fear of competition from the Reichspost.

At the time of writing nine passenger motor services with a total length of 387 km. have been opened by joint agreement between the Reichsbahn and the Reichspost under the contract of June 28, and the inauguration of several services is contemplated.

The Reichsbahn has also endeavoured to defend its goods traffic against competition from motor traffic by means of special tariff reductions. Hitherto the Company has avoided the introduction of general tariff measures, as such measures are often very costly and involve financial sacrifices even where the danger of losing traffic is not manifest. For example the abolition of the higher categories A and B and the inclusion of the commodities classified therein in category C would entail a loss of receipts to the Company estimated at about *RM* 70 millions per annum.

The Company has preferred to adopt special tariff measures and to grant reductions in the form of special tariffs only in those cases where it is possible to arrest the desertion of transports to motor traffic or to recapture transports which have already deserted. These special tariffs, known as K tariffs, apply to paper and cardboard, cereals, sugar, beer, cement, mineral waters, tanners' products, etc. As a rule they only apply to certain specified services and they are conditional, with some exceptions, upon the delivery of a certain tonnage annually to the railway. The reduction granted naturally varies according to the nature of competition; as a rule the rates of these tariffs are appreciably the same as those of category C.

Among the K tariffs mention must be made of the reduced tariff for collective consignments known as *Sammelguttarif*, which came into force last August. This tariff applies to all German stations and to consignments over distances between 100 and 400 km. The reduction granted ranges from 15 to 30 per cent of the normal rates and the application of the tariff is conditional upon the prior conclusion of a contract between the Reichsbahn and the consignor, who undertakes to despatch a minimum of 480 tons per annum by rail over a specified route.

The K tariffs, numbering at present about 170, have yielded favourable results and it is estimated that their application has enabled the Company to avoid the loss of *RM* 12 millions per annum of receipts. Despite certain criticisms the Company intends to continue this policy.

Of late the Company has concluded certain special agreements with consignors and has perfected the services for parcel consignments.

In a previous report I have also mentioned that the Reichsbahn has experimented, as a protective measure against competition from motor traffic, with the system of transporting goods in containers, which does away with intermediate loading and unloading between the place of production of the goods and their final destination. This system is very favourable to combined rail and motor transport, since it saves time, reduces the risk of damage and economises on the cost of packing.

For the introduction of this system of transportation the Reichsbahn approached manufacturers and consignors' agents, who appreciate the Company's efforts, and steel containers with a capacity of 12 cubic meters are already in use. The Reichsbahn proposes

to equip certain stations with mechanical gear for loading and unloading containers. The Company is also experimenting with containers fitted with rollers, which enable them to be dealt with at all stations even in the absence of mechanical loading and unloading gear.

For some time past the Reichsbahn has been using a slightly different form of container for the transport of retail goods. Under this system goods with the same destination are collected on the floor of the warehouse in a container of smaller pattern. This container more or less resembles a frame work of laths fitted with wheels or rollers, so that the whole can be pushed direct into the freight car. This system has enabled the Reichsbahn to accelerate the transport of retail goods considerably on certain lines, and marks an interesting step forward in competition with motor services.

Permanent way and works.

Upkeep of permanent way, structures and buildings.

In my previous report I gave the estimated expenditure for the upkeep of the permanent way, structures and buildings during 1929 as drawn up at the beginning of the business year. The total amount of this expenditure was *RM* 701 millions. According to the present estimates, details of which are shown in the first column of figures in the table below, the probable expenditure for 1929 will be only 683.9 millions. The second column of figures in the table gives the expenditure for 1928, which reached a final total of 614.1 millions, slightly differing from the provisional figure of 602.5 millions previously worked out by the Reichsbahn and published in my previous report.

Upkeep of permanent way, structures and buildings	Estimated expenditure for 1929	Actual expenditure in 1928
	(in millions of <i>RM</i>)	
<i>1. Ordinary upkeep</i>		
Wages	167.6	155.9
Materials for permanent way and constructional work, materials for electrification works	85.5	91.7
Miscellaneous expenditure	83.5	60.0
<i>2. Renewal of track and ballast</i>		
Wages	37.7	30.0
Materials for permanent way	172.3	164.1
Miscellaneous expenditure	13.3	23.3
<i>3. Extraordinary upkeep</i> ¹	111.7	84.6
<i>4. Development of safety appliances</i>	12.3	4.5
Together	683.9	614.1

¹ Including expenditure on the strengthening of bridges, previously charged to the plant account viz. 35.2 millions in 1929, 32.2 millions in 1928.

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The Company has preferred to adopt special tariff measures and to grant reductions in the form of special tariffs only in those cases where it is possible to arrest the desertion of transports to motor traffic or to recapture transports which have already deserted. These special tariffs, known as K tariffs, apply to paper and cardboard, cereals, sugar, beer, cement, mineral waters, tanners' products, etc. As a rule they only apply to certain specified services and they are conditional, with some exceptions, upon the delivery of a certain tonnage annually to the railway. The reduction granted naturally varies according to the nature of competition; as a rule the rates of these tariffs are appreciably the same as those of category C.

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to equip certain stations with mechanical gear for loading and unloading containers. The Company is also experimenting with containers fitted with rollers, which enable them to be dealt with at all stations even in the absence of mechanical loading and unloading gear.

For some time past the Reichsbahn has been using a slightly different form of container for the transport of retail goods. Under this system goods with the same destination are collected on the floor of the warehouse in a container of smaller pattern. This container more or less resembles a frame work of laths fitted with wheels or rollers, so that the whole can be pushed direct into the freight car. This system has enabled the Reichsbahn to accelerate the transport of retail goods considerably on certain lines, and marks an interesting step forward in competition with motor services.

Permanent way and works.

Upkeep of permanent way, structures and buildings.

In my previous report I gave the estimated expenditure for the upkeep of the permanent way, structures and buildings during 1929 as drawn up at the beginning of the business year. The total amount of this expenditure was *ℛ.ℳ* 701 millions. According to the present estimates, details of which are shown in the first column of figures in the table below, the probable expenditure for 1929 will be only 683.9 millions. The second column of figures in the table gives the expenditure for 1928, which reached a final total of 614.1 millions, slightly differing from the provisional figure of 602.5 millions previously worked out by the Reichsbahn and published in my previous report.

Upkeep of permanent way, structures and buildings	Estimated expenditure for 1929	Actual expenditure in 1928
	(in millions of <i>ℛ.ℳ</i>)	
<i>1. Ordinary upkeep</i>		
Wages	167.6	155.9
Materials for permanent way and constructional work, materials for electrification works	85.5	91.7
Miscellaneous expenditure	83.5	60.0
<i>2. Renewal of track and ballast</i>		
Wages	37.7	30.0
Materials for permanent way	172.3	164.1
Miscellaneous expenditure	13.3	23.3
<i>3. Extraordinary upkeep</i> ¹	111.7	84.6
<i>4. Development of safety appliances</i>	12.3	4.5
Together	683.9	614.1

¹ Including expenditure on the strengthening of bridges, previously charged to the plant account viz. 35.2 millions in 1929, 32.2 millions in 1928.

The total expenditure given in the above table for the business years 1928 and 1929 was worked out on the basis of the new classification which I explained in my previous report. It cannot therefore be compared without readjustment to the expenditure of the business years 1925 (15 months), 1926 and 1927, which was shown in my previous reports. In particular the fact would have to be taken into consideration that the expenditure on the strengthening of bridges and the development of signalling plant, formerly charged to the plant account, is now borne by the operating account, whereas expenditure in respect of improvements and of extensions to existing plant, formerly included in the operating account, is now charged to the plant account.

The Reichsbahn desires to devote very much greater sums than formerly to the systematic renewal in 1930 of track and to the ordinary and extraordinary upkeep of superstructure, buildings and various fixed plant. The Company justifies its programme of increased expenditure on the ground that it is necessary to make up the arrears in the upkeep of its fixed plant, which existed at the time of the creation of the Company and date from the war and post-war period, as rapidly as possible. In previous years the funds which the Company was able to devote to the purpose were necessarily limited by the financial difficulties which it, like most other big railway undertakings, encountered. Available resources have been utilised for the most urgent needs, thus enabling the Company normally to guarantee operating safety and even to develop the capacity of the system in an appreciable degree. Nevertheless the Company considers that, even if it has hitherto been possible to restrict certain works of repair, improvement or strengthening, this policy cannot be continued much longer. A certain amount of obsolescence of plant, which was not serious originally but in the long run threatens to reduce the value of plant, must be remedied. Allowance must be made for the constant increase of weight, speed and frequency of trains and for the general development of traffic. By the improvement of buildings for passengers and the equipment for the train staff (waiting rooms, dormitories, installation of baths, etc.) the Company also desires to increase the comfort of the passengers and staff. The expenditure which it is proposed to incur in the reconstruction of yards and loading platforms in the goods stations and in the improvement of approach roads to stations and loading and unloading plant for dealing with parcels (Stückgut) will be productive, and it will also restrict the effects of competition from motor traffic.

As regards the systematic renewal of track and ballast with completely new materials in 1930, the Company desires to renew about 3,800 km. of main line. This figure is equivalent to the renewal of about 4.89 per cent of the main lines on the system, totalling about 77,750 km. at the beginning of 1930. If the renewal of 3,800 km. actually takes place the Company will have exceeded by about 700 km. the figure which it regards as normal, viz. 4 per cent of the total length of main line. Thus approximately one-tenth of the arrears of maintenance dating from the war and post-war period and estimated by the Company at some 7,000 km. will be made up.

In my previous report I mentioned that the Reichsbahn proposed to replace the material on about 3,500 km. of track systematically during 1929 by completely new material including ballast. According to the data at present available for the Company in respect of the work already completed and the estimates for work still in hand, the probable quota of systematic renewals in 1929 will be 3,340 km. or 4.3 per cent of the length of main line, distributed as follows:

	in Kilometers
1. Superstructure K on wooden sleepers:	
with 15 meter rails	810
with 15 meter rails welded into 30 meter sections ...	5
with 30 meter rail of an unbroken length	1,095
2. Superstructure K on metal sleepers, with electrically welded bearing plates and 15 meter rails	1,430
Total	3,340

All these tracks are laid with rails with cross section S 49, weighing 48.89 kg. per meter, which is the heaviest standard type at present employed by the Company.

The table in annex X shows the quantities and prices of new materials employed in 1929 by comparison with 1913. This table shows that apart from materials destined for systematic renewal, very considerable quantities are consumed in current upkeep.

The Company estimates the number of new points introduced in 1929 at 9,500. This includes 3,500 points of standard type and 6,000 points of old types.

Among the ordinary work of upkeep of track carried out during 1929 the Company expects to be able to complete the following by the end of the year:

- systematic replacement of about 250 km. of rails by new rails in the curves;
- increase of the number of sleepers and improvement of joint fittings on about 150 km. of track of various old types;
- systematic renewal of sleepers (replacement by new sleepers) on about 950 km. of track;
- systematic renewal of about 2,500 km. of through track on branch lines and of accessory station tracks by means of material fit for re-employment together with a certain proportion of new material, ballast being only partially renewed;
- replacement of 9,300 points, counted as single points, on accessory station tracks by material fit for re-employment and restored to good condition;
- general overhaul of about 17,200 km. of track.

The following table gives detailed information regarding the labour employed in 1929 in the ordinary upkeep and systematic renewal of the permanent way, allowance being made for the estimates for the end of the year.

Numbers and wages of workmen responsible for the ordinary upkeep and renewal of the permanent way in 1928.

1. Number of workmen attached to the Service for the upkeep of the permanent way:		
a) employed in the ordinary upkeep and systematic renewal of track and ballast.....		94,000
b) employed on other work.....		2,500
Total (a + b).....		96,500
2. Total expenditure on wages.....	<i>R.M.</i>	210,800,000
3. Average wage per workman.....	<i>R.M.</i>	2,184
4. Number of days worked by workmen of category 1a.....		29,328,000
5. Number of days worked by workmen of private undertakings in the systematic renewal of track and ballast.....		1,700,400
6. Total number of days worked in the ordinary upkeep and systematic renewal of the permanent way:		
Total 4 + 5.....		31,028,400
7. Length of track of all types.....		122,426
8. Number of days worked per annum, per kilometer of all types of track, in the upkeep and renewal of the permanent way		253.4

The track constructed of 30 meter rails with an unbroken length, which have been laid since 1928 on the lines covered by the big expresses (Fern-D-Züge) and were mentioned by me in my two last reports, has so far yielded promising results. The Company has therefore continued to employ 30 meter rails in the course of renewals carried out on express train lines in 1929, and it has laid 1,095 km. of track of the superstructure K type on wooden sleepers, as indicated by me in the foregoing table showing the distribution of track renewed in 1929. The actual length of this type of track is 1,665 km., including the 570 km. laid in 1928. This type of track is found on a certain number of main lines, on which the Company intends to introduce 30 meter rails by degrees in the course of renewal.

The 30 meter rail is only laid on wooden sleepers on the superstructure K system with 47 sleepers to the rail. The twin transverse joint sleepers have their centre lines 260 millimeters apart; the distance between the neighbouring sleepers is 548 and 570 millimeters, whereas all the other sleepers are spaced 655 millimeters apart. The average space between the sleepers is therefore slightly larger than in the case of the normal 24 meter rail employed for the latest standard track of the big French companies, which the Compagnie du Nord now lays on 40 creosoted beech or oak sleepers on its main lines. It should be noted however that the latter type of superstructure does not involve the use of metal tie-plates. Superstructure K of the Reichsbahn has been worked out for application to soft wood sleepers. For this reason the normal bearing-plate has a broad surface (160 mm. \times 345 mm.) and great depth. In this connection it should be mentioned that for reasons of economy the Reichsbahn previously limited the use of hard wood sleepers (beech and oak) to sections of track exposed to unusual strain, i. e. tunnels, curves with a radius of less than 500 meters, and up-grades and down-grades with a gradient of more than $\frac{1}{200}$. Consequently even on express lines constructed on the most recent type of superstructure K a large proportion of soft wood (pine) sleepers is still

to be found. Up to 1928 the Company estimated that hard wood sleepers and soft wood sleepers represented approximately 25 and 75 per cent respectively of the annual consumption of wooden sleepers. The exact figures for the consumption of sleepers of each type of timber are not yet available for 1929; the proportion of hard wood utilised has however increased on the express lines.

Rail joints for the 30 meter rail have been selected as the result of experience gained. They are fewer proportionally than in the case of the normal 15 meter rail and the special 12 and 18 meter rails, the last-mentioned being used for level crossings. No provision is made for joints on turn-outs or in tunnels, save for a distance of 100 meters from the end of the latter.

The maximum possible spread between the rails placed end to end resulting from the piercing of rails and fish-plates and the give in respect of the fish-plate bolts is 16 mm. in the case of 12, 15 and 18 meter rails as well as in the case of 30 meter rails.

It is intelligible therefore that the reduction of the number of joints and consequently of the frequency of jolts has yielded satisfactory results as regards smooth running. It should further be noted that in superstructure K the rail ends rest on a broad bearing-plate common to the two joint sleepers, and this plate is ribbed to catch the bottom of the rail so that vertically the rigidity of the joint is increased while at the same time the alignment of the rails is ensured.

The welding of 15 meter rails in pairs was continued on only 5 km. of track in 1929 on express lines where 15 meter rails were already supplied. The total length of this type of track in service at the end of the business year will be 555 km., including the 500 km. laid in 1928.

The joints welded by the alumino-thermic process are not equipped with ordinary fish-plates, as the Company considers that in the event of defective welding security will be sufficiently guaranteed by the rail-clamps and by the ribs of the strong bearing-plate common to the twin joint-sleepers.

In my report No. 6. of December 2, 1927, I mentioned various measures adopted by the Company to make the lay-out and upkeep of track more economical. In particular I mentioned the application of mechanical processes to the packing of tracks and the equipment of service trains with a travelling motor crane for laying and raising points and sections of track having the length of a rail.

During the last two years the Company has extended the use of ballast packing machines for the upkeep and particularly for the systematic renewal of track. At the end of 1928 the Company had 1142 of these machines in service. These machines, each of which works two tamping tools, have cost altogether (including the tamping tools, the piping and all other accessories) approximately *R.M.* 3,300,000. Their number will be about 1321 at the end of 1929, while the expenditure incurred in 1929 in the purchase of new machinery and accessories will be about *R.M.* 550,000.

As a rule light machines are utilised, comprising a small petrol or benzole engine and an air compressor, mounted on a stretcher which

two men can easily carry. These machines are placed on the ends of the sleepers outside the rails of the track under construction or reconstruction, and thanks to their limited height can remain in place during the passing of trains. When trains approach all that need be done is to withdraw the tamping tools to the outside of the rails.

At the end of 1928 the Reichsbahn owned 13 travelling motor cranes for the laying and raising of points and track sections having the length of a rail. For the utilisation of these travelling cranes in the above mentioned work there were also available 80 cars for loading, transporting and unloading the tools and material for the superstructure, together with 26 cars for accommodating the staff of the "flying" gangs. At the end of 1929 the Company will own 19 travelling cranes for the laying of track, 120 cars for material and 38 cars for accommodation of staff. A train equipped with a travelling crane is capable of laying or raising 180 meters of track per hour on an average, but the daily return does not exceed 600 meters because the continuous working of a travelling crane is in practice prevented by the necessity of executing other work.

During the winter and at other times when the reconstruction of track is impeded, the travelling cranes are used for handling heavy materials or goods (trees, etc.) in the depots or stations.

Safety appliances.

In my last report I furnished details of the expenditure which the Reichsbahn proposed to incur during 1929 in the renewal, improvement and upkeep of its safety appliances and its telephone and telegraph system.

Recent estimates have not appreciably modified the expenditure originally proposed, which is summarised in the following table.

	General expenditure for renewal, improvement and extension of plant	Expenditure incurred during large scale construction of lines, new tracks, and the reconstruction of stations etc.	Total expenditure
(in 1,000 reichsmarks)			
Safety appliances	28,500	5,000	33,500
Telegraph and telephone plant.....	4,500	1,900	6,400
Total	33,000	6,900	39,900

The expenditure shown in the above table does not include the cost of material and labour necessary for current upkeep, nor the salaries and wages of officials and employees responsible for studying and supervising the plant.

I should add that the total expenditure of 39.9 millions shown in the foregoing table comprises 24.6 millions representing, according to the Company's calculations, extensions of already existing plant (Anlagezuwachs). Of these 24.6 millions 20.3 millions represent expenditure on safety appliances and 4.3 millions represent expenditure on the telegraph and telephone system.

During 1929 the Reichsbahn increased its long-distance telephone lines by about 2,250 km., while 14 automatic telephone exchanges will have been put into service.

In my last report I mentioned that plant for the automatic stopping of trains was in process of installation on 715 km. of specified lines.

The installation is now complete on 421 km. of double track on the following lines:

	in kilometers
Leipzig-Bitterfeld	65
Berlin (Potsdamer Bahnhof)-Lichterfelde Ost	18
Halle-Leipzig	76
Wiesbaden-Biberich-St. Goarshausen	110
Munich-Freising-Landshut	152
	<u>421</u>

The number of locomotives and railcars fitted with apparatus for repeating signals at the end of December 1929 is shown in the following table:

Locomotives and railcars equipped with apparatus for the repetition of signals on December 31, 1929.

Apparatus which does not control brakes		Apparatus which automatically controls brakes	
locomotives	railcars	locomotives	railcars
1	—	88	1,318

The following table shows, according to category, the numbers of important signal boxes put into service between the beginning of June and the end of December 1929.

Mechanical signal boxes (switches and signals hand-worked)	58
Electrically operated signal boxes	61
Electrically operated signal boxes with route combiners for automatic operation of points in classification yards after passage of shunted cars	3

New works.

The following table shows in respect of new works executed under the plant account:

- a) the budget estimates of expenditure in 1929,
- b) the probable expenditure for the same year according to the Company's present calculations.

Nature of work	Budget estimates of expenditure in 1929	Probable expenditure in 1929
	(in 1,000,000 R.)	
<i>A. Expenditure on general works carried out on the system as a whole</i>		
Purchase of land sites and various unforeseen expenditure	14.0	4.0
<i>B. Expenditure on new works executed by the 30 District Managements</i>	133.0	105.0
<i>C. Secondary extensions and improvements</i>		
1. of plant on the permanent way and buildings	31.0	33.2
2. of rolling stock	8.0	*
<i>D. Increase and improvement of machine tools and equipment</i>	12.0	8.0
Total....	198.0	150.2

The above expenditure is drawn up under the new classification adopted by the Company, which I explained in my previous report.

I will here merely recall that the following expenditure formerly charged to the plant account is now charged to the operating account:

- a) expenditure on the strengthening of bridges necessitated by the running of heavier trains and particularly the running of P 10 locomotives, new locomotives of the standard type and freight cars with large tonnage capacity.
- b) expenditure on works of a general nature carried out throughout the system for the improvement and extension of safety appliances and telegraph and telephone plant.

The expenditure on dwelling houses for staff and for increasing the working capacity of classification yards is charged as before to the plant account, but in the present case is shown under item C in the foregoing table instead of as formerly under A. Among the works designed to increase the working capacity of classification yards I would mention the installation of hydraulic, pneumatic, electrical or other brakes on the slopes of the hump or the shunting lines, the erection of electrically operated signal boxes with route combiners for the automatic switching of points after the passage of cars, and the introduction of safety appliances, signalling and other appliances designed to render the various shunting operations of freight cars more rapid and safe.

The foregoing table shows that the Company has restricted its expenditure on new works in accordance with its financial position

and the difficulty of obtaining capital, for the probable expenditure on plant for 1929 will only be about 150.2 millions, whereas the estimates for the year were 198 millions.

The most important saving realised is that on new works of the 30 Districts, whose expenditure has been cut down from 133 to 105 millions.

The following table gives the list of normal gauge lines and tracks already put into service since January 1, 1929 or probably to be put into service before the end of the current business year.

New lines and tracks	Length in kilometers
<i>I. New double track lines</i>	
1. Jungfernaheide-Gartenfeld (branch of the Berlin Nordring)	4.64
2. Junction curve between the Mörs-Cleve line and the Oberhausen-Hohenbudberg line near Mörs	5.46
<i>II. New single track lines</i>	
1. Kinding-Beilngries	11.10
2. Junction curve between Düsseldorf-Eller and Flörsberg block signal box	3.40
<i>III. Additional tracks on existing lines</i>	
1. Second track Viersen-Dülken	4.56
2. Second track on the Jagstfeld-Untergriesheim section of the Jagstfeld-Osterburken line	5.06
3. Third and fourth tracks between Ludwigsburg and signal box 12 on the Ludwigsburg-Stuttgart line ...	5.13

Since the publication of my last report the Reichsbahn has put the new passenger station at Königsberg (East Prussia) into service together with its dependent new tracks and plant. The opening of this new through station marks the completion of a great programme of works executed in the town of Königsberg and its surroundings, upon which a sum estimated at about *RM* 40 millions has been expended since November 15, 1923, but there is evidently some uncertainty about this figure in view of the appreciation of expenditure during the inflation.

The old principal passenger station, the Ostbahnhof, no longer sufficed for present day operating requirements. There were only three platforms for passenger traffic, and the station sidings as well as the majority of the service installations were inadequate. The subsidiary station, the Südbahnhof, which belonged to a private company until 1905 and consisted of only two passenger platforms roughly macadamised, offered no opportunity for remedying the shortcomings of the Ostbahnhof. The small station on the Pilau line known as the Lizenter Bahnhof also had a very scanty equipment, and the exchange of freight cars between this station and the Südbahnhof goods yard had necessitated the construction of a junction track on paving traversing the approach to

the principal station. This track was a perpetual source of danger to the public and caused serious difficulties in operation.

The scheme for reconstructing the old plant was approved by the Prussian Diet in 1911.

The first measures for its execution were taken in 1912. The work, which was actively pushed forward after the Armistice to provide occupation for many unemployed, was continued and completed by the Company. The execution of the Reichsbahn's scheme principally involved the works summarised below:

1. Replacement of the Ostbahnhof (terminal station) by a new through station on a site sufficiently far distant to allow of the requisite development of the new plant.
2. Transformation of the Ostbahnhof and the Südbahnhof into a goods station for the central part of the town.
3. Construction of a new goods station known as Königsberg-Nord in the upper part of the town which is in process of development.
4. Modification of the course followed by the lines and of the tracks running through the town and its surroundings on an embankment, owing to the new site of the central station and in order to allow of the abolition of level crossings of tracks and highway crossings.
5. Creation of three new stopping places, one of these being in replacement of the former Lizenzer Bahnhof.
6. Reconstruction of the existing classification yard.
7. Construction of a new locomotive shed and erection of plant for dealing with fuel, etc.

Altogether these works necessitated the purchase of about 75 hectares of land, the removal of 18.5 km. of track, the laying of 27 km. of temporary track and 23 km. of new permanent track, the construction of a tunnel 180 meters long and of considerable structures, some of which are very important; the creation of new signalling plant led to the erection of a dozen new cabins for interlocking plant, several of which are large and operated electrically.

Among the most interesting features of the superstructure I should mention the two-storey swing bridge across the Pregel, the lower storey of which is utilised by road traffic, which was put into service in 1926.

This bridge, which is constructed to carry a quadruple track, is about 200 meters long including the bridgeheads. The swinging portion measures 58 meters.

In addition to the new station at Königsberg the Company has put into service since the beginning of the year the new passenger station at Brünninghausen in the Essen District, which replaces the Hörde-Hacheney station now closed.

The following table shows the important new station plant introduced together with reconstructed old plant either put into service since January 1, 1929, or likely to be put into service before the end of the year.

	District	Nature of plant, whether new or much improved
<i>A. Passenger stations</i>		
Liegnitz.....	Breslau	Receipts office and roofing over station platforms
Beuthen.....	Oppeln	idem
Freiburg (Breisgau).....	Karlsruhe	Third platform
Nordlingen.....	Würzburg	Track and safety appliances
<i>B. Goods stations</i>		
Tonberg.....	Altona	Plant for locomotive service
<i>C. Classification yards</i>		
Dresden-Friedrichstadt.....	Dresden	Track and signalling plant
Kreuztal.....	Elberfeld	Enlargement of station

Structures

In my last report I announced that the Reichsbahn proposed to devote a total sum of about 79 millions to the upkeep, renewal and strengthening of existing structures and to new constructional work in 1929.

In a table I indicated the allocation of such expenditure under the operating account and the plant account in the case of each principal category of structures. Below will be found the figures in question, slightly modified in accordance with the Compagny's present estimates, which take into account the stage reached in the works in process of execution.

Probable expenditure in 1929 on the extraordinary upkeep, strengthening and renewal of existing structures, and on new constructional work.

Subject of expenditure	Operating account	Plant account	Funds invested by third parties	Total
	(In 1,000 R.M.)			
1	2	3	4	5
Subways and overhead crossings ¹	14,164	14,751	1,486	30,401
Bridges, culverts and aqueducts	4,798	23,588	829	29,215
Tunnels.....	2,532	2,816	—	5,348
Station roofs.....	1,295	1,946	385	3,626
Total....	22,789	43,101	2,700	68,590
General expenses.....	3,099	6,939	338	10,376
Total....	25,888	50,040	3,038	78,966

¹ Of which 8,571,000 R.M. is for the strengthening of the Berlin Stadtbahn viaducts.

The following table gives a list of the most important structures put into service since June 1, 1929, or begun since that date. It also shows the approximate length of the structures, the probable expenditure upon them in 1929, the expenditure remaining to be incurred after that date and the total cost of each structure.

Nature of work	Approximate length of work	Probable expenditure in 1929	Probable expenditure as from January 1 1930	Total cost of work
	meters	(in 1000 R.M.)		
<i>I. Put into service since June 1, 1929</i>				
Humboldthafen bridge in Berlin (repaired)	160	256	50	525
Museuminsel bridge in Berlin (strengthened)	120	661	—	1,628
Station roof at Liegnitz	152	195	—	504
Bridge across the Weser near Höxter	240	1,690	100	2,090
Bridge for the passage of the Berlin line (passenger traffic) over the classification yard at Königsberg (East Prussia)	135	196	89	1,753
Bridge for the passage of the Pilau and Labiau lines across the line connecting the clas- sification yard and the goods station at Königsberg (East Prussia)	112	118	47	1,039
Tunnel under the Hansaring at Königsberg (East Prussia)	178	52	36	852
Roof of the new central pas- senger station at Königsberg	137	648	162	2,489
Bridge over the Kirchstrasse at Leipzig	116	458	32	515
Viaduct across the Enz near Bietigheim	290	342	—	685
Bridge across the Weser near Bremen-Neustadt (streng- thened)	214	615	3	638
<i>II. Under construction (began since June 1, 1929)</i>				
Bridge for the passage of the Billwärder-Eidelstedt goods line over the high level urban line and the Tiefstack canal at Hamburg	155	165	1,290	1,455
Monumentenbrücke at Berlin (reconstruction)	166	205	1,863	2,068
Underground passage for the circulation of locomotives at Duisburg	200	520	—	540
Bridge across the Oder near Pommern	418	455	715	1,170
Bridge across the Warthe near Küstrin	280	210	432	642
New rail bridge across the Oder near Zäckerick-Alt Rüditz	660	1,470	940	2,410
Bridge across the Saar at Conz	130	580	70	650
Bridge across the Rhine near Germersheim	270	145	405	550

Electrification.

During 1929, 37 km. of line were opened for electrical operation, viz. a section of 29 km. of the Berlin Ringbahn (double track), a section of 4 km. on the Treptow-Grünau line (double track) and a single branch track of 4 km. on the latter line.

In addition the new double track line from Jungfernheide to Gartenfeld will be opened for electrical operation at the end of the year. This line, which joins on to the Berlin Nordring, will be 5 km. long. The total length of electrified lines on the Reichsbahn system, which was 1,515 km. at the end of last year, will thus be brought up to 1,557 km. on December 31, 1929, which is equivalent to approximately 2.9 per cent of the total length of lines.

Electrification of main lines.

No new main line has been opened for electrical operation since the publication of my report No. 9 in June last.

Lines	District Management	Probable expenditure in 1929	Approximate expenditure from Nov. 15, 1923 to Dec. 31, 1928	Total approximate expenditure
(in 1,000 RM)				
<i>I. Main lines.</i>				
Breslau-Königszelt	Breslau	50	3,802	5,251
Munich-Rosenheim-Kufstein	Munich	400	14,549	15,276
Rosenheim-Freilassing	Munich	481	6,724	10,250
Nannhofen-Augsburg	Munich	—	—	2,550
Munich-Ratisbon including the section Feldmoching-Munich East....	Ratisbon	55	18,016	18,936
Total....		986	43,091	52,263
<i>II. Berlin and suburban lines.</i>				
Stadtbahn, Ringbahn and suburban lines electrified under a single scheme	Berlin	5,358	92,739	100,267
Berlin (Potsdamer Bahnhof)-Lichterfelde Ost.	Berlin	354	—	440
Kaulsdorf-Mahlsdorf	Berlin	700	—	2,215
Schönholz-Velten	Berlin	375	7,649	8,131
Total....		6,787	100,388	111,053
Together....		7,773	143,479	163,316

The preceding table shows the probable expenditure which the Company (according to its present estimates) will have devoted during the current business year, up to December 31, to the electrification of its main lines and the Berlin and suburban lines.

Among the latter are included the Stadtbahn and the Ringbahn lines together with various sections of suburban lines, which are part of a general scheme of electrification to which I have referred in my previous reports. They are considered separately in the following table, which also gives the approximate expenditure incurred between November 15, 1923, and December 31, 1928, together with the total estimated expenditure for the completion of the Company's present programme of electrification.

If one compares the figures in the foregoing table with those contained in the Company's estimates and reproduced by me in my previous report, it will be seen that the probable expenditure on the electrification of main lines in 1929 differs considerably from the original estimates of the Reichsbahn.

The reduction of the total expenditure for main line electrification for 1929 from *RM* 4,580,000 to *RM* 986,000 is due to the necessity for devoting funds to more urgent works owing to the Company's small capital resources. For the same reason the Reichsbahn has not this year begun the electrification of the Nannhofen-Augsburg line.

The expenditure from November 15, 1923, to December 31, 1928, has also undergone some readjustment, as has also the total expenditure.

In addition to the *RM* 7,773,000 shown in the foregoing table as probable expenditure in 1929, certain secondary expenditure totalling approximately *RM* 179,000 was incurred in respect of works for which no special funds were allocated. The probable total expenditure on electrification in 1929 will therefore be roughly 8 millions. But this does not include the probable delivery of 45 electric locomotives to which I have referred in the chapter of this report dealing with rolling stock.

Electrification of the Berlin and suburban lines.

In my last report I stated that on May 15, 1929, electric traction completely replaced steam traction on the Berlin and suburban lines, a plan of which was given as Annex VI to my report No. 4 of November 20, 1926, these lines being the subject of a single scheme of electrification. I pointed out that the whole of the work comprising the modification of the course taken by certain lines, the construction of new stations, the reconstruction of existing stations, the alteration of safety appliances, the supply of rolling stock and the construction of a special repair shop at Niederschöneeweide would entail an expenditure of about *RM* 150 millions, assuming that the Company did not itself erect a central power station for the supply of current.

According to the Company's present estimates the expenditure on fixed plant alone will amount to about *RM* 100.3 millions as shown in the foregoing table.

The original scheme provided for the purchase of 368 railcars and 340 trailers which, in the opinion of the Company, should be sufficient for existing traffic requirements. This rolling stock park, estimated to cost *RM* 53.3 millions in the original scheme, has in reality cost 60.2 millions. On the assumption that traffic is maintained, the total actual expenditure on the introduction of electric traction (including the execution of various works such as the construction of new tracks and stations, the improvement of existing stations, etc.) will work out at $100.3 + 60.2 = 160.5$ millions. This sum is not much in excess of the original estimated 150 millions if the additional expenditure on the new Jungfernheide-Gartenfeld line, to which I shall refer subsequently, is included.

Owing to the growth of traffic which has already set in and with the object of facilitating the composition of train sections and the upkeep of rolling stock, the Company has purchased an additional 124 railcars, 49 trailers with driver's cabin, and 80 trailers without driver's cabin at a cost of 22.5 millions. The total expenditure accordingly now works out at $160.5 + 22.5 = 183$ millions approximately.

The construction of the new double track line of 5 km. from Jungfernheide to Gartenfeld and of the Wernerwerk, Siemensstadt and Gartenfeld stations will cost about *RM* 12 millions.

Out of this sum 3 millions only will be paid by the Reichsbahn in three annuities, the first being payable at the end of the year following the handing over of the line to the Reichsbahn.

The Siemens-Halske and Siemens-Schuckert concern, which is undertaking the construction in order to enable its staff to reach the various factories more easily, will assume the remaining expenditure of about 9 millions. Of the 54,000 persons employed by the concern more than 20,000 are expected to make regular use of the railway in going to their work. The new line will also be open to the public at all stations and may possibly be extended at some later date.

The Reichsbahn is responsible for the cost of the fixed plant for electric traction and for the rolling stock (7 railcars and 7 trailers) required for the operation of the new line. The cost is included respectively under the expenditure of 100.3 millions for fixed plant previously referred to and the $60.2 + 22.5 = 82.7$ millions for rolling stock.

The new line is on the point of completion and will be put into service before the end of the year.

In the section of this report dealing with traffic on the Berlin lines I showed that this traffic has greatly increased since electrification. The Reichsbahn considers that the existing rolling stock, namely

$368 + 124 = 492$ railcars,

$340 + 49 = 389$ trailers with driver's cabin,

80 trailers without driver's cabin

is sufficient for present traffic requirements, but leaves no reserves for future extensions.

The Berlin southern suburban line (Potsdamer Ringbahnhof to Lichterfelde Ost) is not included in the scheme of electrification referred to. It was electrified as early as 1903 and equipped with the third rail system carrying a continuous current of 550 volts. The voltage has just been raised to 800, which is the voltage of all the other electrified lines round Berlin. The change was made not merely in order to effect savings in the conveyance of current, but also to facilitate the distribution of current and the exchange of rolling stock throughout the system. The standardisation of the rolling stock will also permit of economies in upkeep.

For the operation of the Berlin-Lichterfelde Ost line the Reichsbahn has purchased 36 railcars and 36 trailers with driver's cabin at a cost of *ℛℳ* 6.9 millions. For the operation of the three suburban lines in the north of the city, which are already electrified (the lines from the Stettiner Bahnhof to Velten, Oranienburg and Bernau), the Reichsbahn at present has 148 railcars, 90 trailers with driver's cabin and 87 trailers without. The total rolling stock at present in service throughout the electrified system in Berlin and the surrounding country is as follows:

Lines electrified in Berlin and the surrounding country	Railcars	Trailers	
		with driver's cabin	without driver's cabin
1. Stadtbahn, Ringbahn and suburban lines electrified under a single scheme	492	389	80
2. Berlin southern suburban line (Potsdamer Ringbahnhof - Lichterfelde Ost)	36	36	—
3. Berlin northern suburban lines (Stettiner Bahnhof) to Velten			
Oranienburg			
Bernau	148	90	87
Total	676	515	167

Rolling stock.

Expenditure.

The following table shows, according to the calculations of the Reichsbahn, the probable expenditure on the upkeep and renewal of rolling stock and mechanical plant in 1929. It also shows the actual expenditure in 1928 for comparative purposes.

The total probable expenditure in 1929 (761.7 millions not including general expenses) is 32.3 millions less than the 794 millions originally proposed in the estimates. Nevertheless this total exceeds the 1928 expenditure by 25.9 millions.

Expenditure on the upkeep and renewal of rolling stock and mechanical plant

(In millions of R.M.)

Nature of expenditure	Actual expenditure in 1928	Probable expenditure in 1929
1. Ordinary upkeep		
a) Wages of workmen in the workshops	241.6	223.6
b) Materials	97.1	77.8
c) Spare parts ¹	149.3	101.4
d) Working up of old spare parts	— ²	91.5
e) Miscellaneous expenditure	27.5	25.7
2. Extraordinary upkeep	7.9	9.5
3. Improvements ³	—	—
4. Purchase of complete vehicles in replacement of retired or damaged rolling stock	212.4	232.2
Total (not including general expenses)	735.8	761.7
Total (including general expenses)	756.7	780.0

¹ Including R.M. 38.0 millions in 1929 for the special programme for the improvement of rolling stock.

² For 1928 this expenditure is included under headings a, b, c and e.

³ This expenditure (3.8 millions in 1928 and 6.2 millions in 1929) is included in the new works account since 1928.

The special programme of improvements referred to under footnote (1) of the foregoing table is the programme analysed by me in report No. 7 of June 1, 1928, and chiefly involving:

- the installation of electric lighting in corridor cars and express train baggage cars and on locomotives in general;
- the improvement of the heating system in express train cars;
- the introduction of steam superheating apparatus and feed-water heating apparatus in old locomotives;
- the strengthening of drawhooks and couplings, and the replacement of old shaft buffers by bush buffers.

The following table shows the number of workmen in the workshops, the annual expenditure on wages and the average annual wage per workman, giving the actual results for 1928 and the probable results for 1929.

Workmen employed in the workshops	1928	Probable results for 1929
1. Number of workmen employed in the workshops, including apprentices		
a) for the upkeep of rolling stock, shipping and mechanical plant ¹	94,195	94,500
b) for the production and repair of machinery, tools and fixed plant	4,503	4,500
Total	98,698	99,000
2. Expenditure on workmen's wages (in million R.M.)	261.7	270.3
3. Average wage per workman (in R.M.)	2,652	2,730

¹ Including for the manufacture of rolling stock and spare parts, for the working up of spare parts, for extraordinary upkeep and for improvements.

12,100 workmen in 1929
12,283 " " 1928

The following table gives details of the expenditure on the upkeep of the various big categories of rolling stock in 1927 and 1928.

Distribution of expenditure on the upkeep of rolling stock	1927		1928	
	in 1000 <i>R.M.</i>	%	in 1000 <i>R.M.</i>	%
<i>Expenditure on upkeep of</i>				
rolling stock as a whole.....	778,552	100	706,249	100
steam locomotives	301,018	38.6	313,942	44.5
electric locomotives	4,678	0.6	6,649	0.9
railcars	6,958	0.9	9,298	1.3
passenger cars and baggage cars	134,609	17.3	127,023	18.0
freight cars, baggage cars and service cars	277,773	35.7	196,439	27.8
special payments	53,816	6.9	52,898	7.5
	In <i>R.M.</i>		In <i>R.M.</i>	
<i>Average expenditure on upkeep of vehicles in service during the period under consideration</i>				
on one steam locomotive.....	12,011.4		12,915.7	
on one electric locomotive.....	15,237.8		20,333.3	
on one railcar	12,336.9		13,455.9	
on one passenger car (baggage cars being counted as passenger cars)	1,913.8		1,807.7	
on one freight car, (service cars and baggage cars being counted as freight cars)	405.3		286.2	
<i>Average expenditure on upkeep per 1000 locomotive-kilometers</i>				
on steam locomotives.....	305.3		307.0	
on electric locomotives	317.9		385.3	
on railcars.....	220.5		212.4	
on passenger cars and baggage cars ..	14.9		13.2	
on freight cars, baggage cars and service cars	14.5		10.0	

Position of rolling stock.

In my previous report I gave the combined total numbers for the various categories of normal gauge and narrow gauge rolling stock on December 31, 1928.

The separate totals for normal gauge and narrow gauge rolling stock on December 31, 1928, are given in the following table parallel with those of December 31, 1927.

The figures relating to the item "special service cars" in the following table comprise cars for calibrating weighing machines, boiler cars for heating trains, ordinary travelling cranes, travelling cranes for laying tracks and points, automatic ballast discharging cars, snow-ploughs, rotary snow-ploughs and cars for relief trains for accidents.

Normal and narrow gauge rolling stock
at the end of 1927 and 1928.

	Position on December 31, 1927			Position on December 31, 1928		
	Normal gauge	Narrow gauge	Total	Normal gauge	Narrow gauge	Total
Steam driven locomotives	24,308	271	24,579	23,860	272	24,132
Electrically driven locomotives	314	2	316	345	2	347
Diesel locomotives	2	—	2	2	—	2
Railcars	581	2	583	935	2	937
Passenger cars	60,870	894	61,764	61,556	891	62,447
Baggage cars	20,815	187	21,002	20,619	187	20,806
Freight cars, including ordinary service cars..	657,266	6,200	663,466	654,572	6,024	660,596
Special service cars.....	9,960	871	10,831	11,207	953	12,160

No definite figures are yet available in regard to the present composition of the rolling stock park, but the probable totals at the end of 1929 can be worked out as in the following table, which also shows probable retirements and deliveries in 1929 according to the Company's recent calculations.

Probable retirements and deliveries of rolling stock during 1929.
Probable numbers on December 31, 1929.

(normal and narrow gauge rolling stock together)

Normal and narrow gauge rolling stock	Probable retirements in 1929	Probable deliveries in 1929	Increase (+) or Decrease (—)	Numbers on Dec. 31, 1928	Probable numbers on Dec. 31, 1929
Steam driven locomotives	501	91	— 410	24,132	23,722
Electrically driven locomotives.....	12	45	+ 33	347	380
Diesel locomotives	—	1	+ 1	2	3
Railcars current-fed by overhead wire or third rail	—	237	+ 237	937	1,184
Railcars producing their own power.....	5	15	+ 10		
Trailers with or without driver's cabin for electric traction.....	—	215	+ 215	873	1,088
Passenger cars	1,000	2,859	+ 1,859	62,447	64,306
Baggage cars	200	482	+ 282	20,806	21,088
Freight cars (including earth cars for the permanent way service)	9,500	653	— 8,847	660,596	651,749
Special service cars	300	415	+ 115	12,160	12,275
Traverser trucks with two axles for transporting normal gauge cars on narrow gauge lines (pairs)	20	15	— 5	297.5	292.5

The following table shows separately the probable totals of normal gauge and narrow gauge rolling stock on December 31, 1929. For comparative purposes the corresponding figures for the independent State railways on March 31, 1914, that is to say at the end of the 1913 budget year, are also given, the systems in question being reduced to the limits of the present frontiers.

Normal and narrow gauge rolling stock park in 1914 and 1929.

Category	Probable position on December 31, 1929 (Reichsbahn)			Position on March 31, 1914 (State systems reduced to present frontiers).		
	Normal gauge	Narrow gauge	Total	Normal gauge	Narrow gauge	Total
Steam driven locomotives.....	23,442	280	23,722	25,266	236	25,502
Electrically driven locomotives.....	378	2	380	17	—	17
Diesel locomotives....	3	—	3	—	—	—
Railcars	1,182	2	1,184	388	—	388
Trailers with or without driver's cabin for electric traction	1,085	3	1,088	—	—	—
Passenger cars.....	63,387	919	64,306	56,714	791	57,505
Baggage cars.....	20,891	197	21,088	15,574	132	15,706
Freight cars and cars for the execution of works.....	645,651	6,098	651,749	552,345	4,942	557,287
Special service cars	11,273	1,002	12,275	3,331	300	3,631
Traverser trucks with two axles for transporting normal gauge cars on narrow gauge lines (pairs)	—	292.5	292.5	—	173	173

The 23,442 normal gauge steam locomotives shown in the foregoing table as being the probable total on December 31, 1929, are distributed as follows; the table below also shows the distribution of locomotives on December 31, 1928.

Normal gauge steam locomotives	Probable position on December 31, 1929	Position on December 31, 1928
Express locomotives	800	819
Ordinary passenger train locomotives	3,752	3,817
Goods train locomotives.....	10,090	10,223
Passenger train tank locomotives.....	2,670	2,701
Goods train tank locomotives.....	5,770	5,878
Locomotives run on local lines.....	420	422
Total....	23,442	23,860

In my previous report I mentioned that the experience gained in the last few years showed that there was a shortage of passenger cars, whereas on the other hand the Company had more locomotives and freight cars than it required.

The Company has taken this state of affairs into account and during 1929 should receive about 2,859 new passenger cars, although originally provision was only made for the delivery of 1,829 cars. As there was a shortage of baggage cars and it was necessary to use a certain number of closed freight cars as substitutes, the Company has also raised the number of new baggage cars to be received this year from 377 to 482.

Similarly, with a view to providing the requisite funds for additional deliveries, the Company has reduced the steam locomotives to be delivered from 97 to 91 and electric locomotives from 60 to 45. The number of cars to be delivered will however be increased from 992 to 1,068 as the Company needs cars for heavy tonnage and large capacity cars, as well as special cars of all types, particularly for the more economical execution of works on the permanent way.

Among the locomotives purchased during the current year are:

- tank locomotives with 3 coupled axles and 2 carrying axles, for ordinary passenger trains, standard type, super-heated steam;
- tank locomotives for local lines;
- narrow gauge locomotives;
- electric locomotives with 4 driving axles worked separately, and 2 carrying axles, for hauling light goods trains.

Although according to the Company's calculations the locomotive park will still aggregate 1,400 locomotives in excess of requirements at the end of 1929 and about 700 in excess of requirements at the end of 1930, the Reichsbahn proposes to order a certain number of new locomotives under its 1930 budget.

These orders will, in the case of steam traction, comprise a number of express locomotives, goods train locomotives and tank locomotives for passenger trains; in the case of electric traction they comprise high and low powered locomotives, and railcars with corresponding trailers. The total number of express locomotives is inadequate, for in the current year a large number of special express trains run during the holiday season had to be hauled by ordinary passenger train locomotives. Moreover among the express locomotives in service there are several old types which are not sufficiently powerful and are uneconomical for the haulage of heavy fast trains.

The electric locomotive park also includes a certain number of varieties introduced for experimental purposes when electric traction was first established. These superannuated locomotives, which are too costly in their upkeep and do not lend themselves to reconstruction, are not sufficiently powerful for hauling heavy goods trains on steep gradients. The Company therefore proposes to order some very powerful electric locomotives with 6 separate driving axles. In addition the Company proposes to order a certain number of moderately powerful electric locomotives with 4 separate driving axles, in order that locomotives may be distributed more appropriately in accordance with the services for which they are required and with a view to standardising types in use in certain Districts; this will help to reduce operating costs and upkeep. Apart from these orders the Company will devote its efforts in 1930

primarily to increasing the numbers and reducing the average age of the passenger car park.

In order to give an idea of the upkeep of rolling stock I shall here give the number and percentage of steam driven locomotives fit for service and the number under repair in 1927 and 1928, and in September 1928 and 1929.

Steam driven locomotives	1927		1928		September 1928		September 1929	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Total number ..	24,575	100	24,132	100	24,199	100	23,889	100
Locomotives fit for service ...	19,219	78.2	19,066	79	18,656	77.1	18,995	79.5
Locomotives undergoing repair	5,356	21.8	5,066	21	5,543	23.9	4,894	20.5

As an instance of the results obtained by the Company from its locomotive park I shall here give figures for the average consumption of fuel and lubricants by steam locomotives in 1927 and 1928, and in September 1928 and 1929.

Consumption of fuel and lubricants per locomotive-kilometer	1927	1928	September 1928	September 1929
Fuel (in kg.)	12.92	12.77	12.48	11.99
Lubricants (in gr.)	18.27	19.55	20.17	21.48

The Company does not compile separate periodical statistics on the consumption of lubricants by the cylinders, or on the consumption of lubricants by other parts of the machines. Nevertheless the above figures, particularly those relating to the consumption of fuel, appear to be very satisfactory. The fuel figures are no doubt due not only to the generally good quality of the fuel employed, but also to the fact that a considerable proportion of the locomotives are comparatively modern, seeing that the average age of the steam driven locomotive park was 12.88 years on December 31, 1928. The park thus comprises a large number of locomotives with boilers tuned to a fairly high pressure (up to 16 atmospherics), equipped with super-heaters, drop grates reducing chilling of the furnace by inrushes of air, and arrangements for reheating the feed water. The results also show a high standard of upkeep of the engines and a careful professional education of the staff.

In considering these figures it must also be remembered that in working out the number of locomotive-kilometers the Reichsbahn assumes that one hour of hauling or shunting is equivalent to 7 locomotive-kilometers, and that one hour on reserve or standing by under steam is equivalent to 3 locomotive-kilometers.

GASTON LEVERVE

Commissioner for the German Railways.

Annex I.

**Managing Board
of the German Railway Company.**

Messrs. C. F. von Siemens, Chairman,	Messrs. J. Jadot,
C. Stieler, Vice-Chairman,	O. Jeidels,
M. Margot, Vice-Chairman,	P. Klöckner,
A. von Batocki,	Sir Osborne Mance,
C. Bergmann,	Messrs. O. von Miller,
G. Bianchini,	H. Münchmeyer,
D. Fischer,	H. Schmitz,
M. Herrmann,	P. Silverberg,
V. von Hertel,	W. Welker.

*Commissioner
for the German
Railway Company:*

M. G. Leverve.

*Trustee
for the German
Railway Bonds:*

M. C. Gutt.

**General Management
of the German Railway Company.**

Messrs. Dorpmüller, General Manager,
Weirauch, Assistant General Manager,
Vogt, Traffic and Rates Manager,
Kumbier, Manager of the Operating and Permanent Way
Department,
von Frank, Manager of the Bavarian Administrative Group,
Anger, Manager of the Engine Department (workshops
and rolling-stock),
Jahn, Manager of the Accounting and Legal Departments,
Wolf, Manager of the Administrative Departments,
Hammer, Manager of the Supplies Department.

Annex II.

Service of Reparation Bonds.

Date	Gold Marks ¹	Reichsmarks ²	Business year of the Company
First reparation year:			
Total....	200,000,000	199,892,419.82	Business year 1925
Second reparation year:			
Total....	595,000,000	586,512,850.67	Business year 1926
Third reparation year:			
Total....	550,000,000	543,718,344.22	
Fourth reparation year:			
October 1, 1927	55,000,000	53,858,526.23	Business year 1927
November 1, 1927	55,000,000	53,971,773.63	
December 1, 1927	55,000,000	54,315,254.38	
January 2, 1928	55,000,000	54,562,119.51	
February 1, 1928	55,000,000	54,837,856.20	
March 1, 1928	55,000,000	55,003,960.00	
April 2, 1928	55,000,000	53,769,646.25	
May 1, 1928	55,000,000	53,991,672.87	
June 1, 1928	55,000,000	54,156,381.03	
July 2, 1928	55,000,000	54,403,138.39	
August 1, 1928	55,000,000	54,525,326.73	Business year 1928
September 1, 1928	55,000,000	54,799,360.00	
Total....	660,000,000	652,195,015.22	
Fifth reparation year:			
October 1, 1928	55,000,000	53,440,523.71	
November 1, 1928	55,000,000	53,734,011.41	
December 1, 1928	55,000,000	53,992,482.12	
January 2, 1929	55,000,000	54,350,281.72	
February 1, 1929	55,000,000	54,691,618.71	
March 1, 1929	55,000,000	55,017,270.00	
April 2, 1929	55,000,000	53,730,642.54	
May 1, 1929	55,000,000	54,019,421.69	
June 1, 1929	55,000,000	53,935,172.86	
July 1, 1929	55,000,000	54,214,477.93	
August 1, 1929	55,000,000	54,524,205.62	
September 2, 1929	55,000,000	54,802,055.00	Business year 1929
Total....	660,000,000	650,452,163.31	
Sixth reparation year:			
October 1, 1929	55,000,000	53,155,420.64	
November 1, 1929	55,000,000	53,534,496.33	
December 2, 1929	55,000,000	53,927,732.56	

¹ Amounts due from the Company, without deduction of the discount on advance payments in respect of the semi-annual instalments provided for in § 8 of the Statutes of the Railway Company.

² Amounts paid by the Company, taking into account the conversion from gold marks into reichsmarks and the discount allowed to the Company for advance payments. The discount has been calculated at the rate of 6 per cent for the first three reparation years, and at the rate of 5 per cent for the fourth year and 6 per cent for the fifth year. For the sixth year it is calculated according to the Reichsbank discount rate on the 20th of the month preceding the due date of payment.

Annex III.

Payment of the Transport Tax.

First reparation year.

The Company paid the whole of the proceeds of the tax to the Reich.

Second reparation year.

Payments of the Company on reparation account:

13 monthly payments spread over the period September 21, 1925, to September 15, 1926

total value in gold marks 250,000,000.00.

Payment by the Company to the Reich of the balance of the tax, the total proceeds of which amounted to 271,486,419.23 reichsmarks.

Third reparation year.

Payments of the Reich on reparation account:

12 monthly payments of 22,500,000.00 gold marks spread over the period September 25, 1926, to August 25, 1927

a thirteenth payment of 20,000,000.00 gold marks on September 15, 1927
total value in gold marks 290,000,000.00.

Payment each month by the Company to the Reich of the actual proceeds of the tax, totalling (in reichsmarks)..... 300,376,976.68.

Fourth reparation year.

Payments of the Reich on reparation account:

11 monthly payments of 24,166,000 gold marks spread over the period October 15, 1927, to August 15, 1928

a twelfth payment of 24,174,000 gold marks on September 21, 1928
total value in gold marks 290,000,000.00.

Payment each month by the Company to the Reich of the actual proceeds of the tax, totalling (in reichsmarks)..... 315,280,181.84.

Fifth reparation year.

Payments of the Company to the Reich		Payments of the Reich on reparation account		
Date	Amount in reichsmarks	Date	Amount in reichsmarks	Value in gold marks
Oct. 22, 1928...	28,661,464.85	Oct. 15, 1928...	24,121,088.33	24,166,666.66
Nov. 22, 1928..	27,724,417.45	Nov. 15, 1928..	24,083,219.16	24,166,666.66
Dec. 21, 1928..	24,201,049.22	Dec. 15, 1928..	24,078,506.66	24,166,666.66
Jan. 21, 1929...	25,098,279.20	Jan. 15, 1929..	24,142,379.16	24,166,666.66
Feb. 21, 1929...	23,069,062.38	Feb. 15, 1929..	24,202,699.16	24,166,666.66
March 21, 1929.	19,768,526.08	March 15, 1929.	24,174,254.99	24,166,666.66
April 22, 1929..	25,762,175.72	April 15, 1929..	24,215,724.99	24,166,666.66
May 21, 1929..	26,230,010.12	May 15, 1929..	24,212,172.49	24,166,666.66
June 21, 1929..	29,181,034.08	June 15, 1929..	24,073,769.99	24,166,666.66
July 21, 1929..	29,322,543.58	July 15, 1929..	24,087,955.83	24,166,666.66
Aug. 21, 1929..	33,160,548.15	Aug. 15, 1929..	24,097,429.16	24,166,666.66
Sept. 21, 1929..	32,380,601.30	Sept. 21, 1929..	24,083,219.24	24,166,666.66
Oct. 21, 1929...	251,645.34			
Nov. 21, 1929...	321,133.84			
Total at that date	325,132,490.31	Total...	289,572,419.16	290,000,000.00

Sixth reparation year.

Payments of the Company to the Reich		Payments of the Reich on reparation account		
Date	Amount in reichsmarks	Date	Amount in reichsmarks	Value in gold marks
Oct. 21, 1929...	28,760,686.51	Oct. 15, 1929..	24,130,537.49	24,166,666.66
Nov. 21, 1929..	27,911,435.23	Nov. 15, 1929..	24,121,064.16	24,166,666.66

Annex IV.

Balance Sheet of the Verkehrs-Kredit-Bank at the close of the business year 1928-29.

Assets		Liabilities	
	Reichsmarks		Reichsmarks
Balance in hand, foreign exchange and balances with banks of issue and clearing banks	4,286,553.53	Share capital	4,000,000.00
Bank balances	258,117,322.28	Ordinary reserve	1,400,000.00
Investments	6,613,628.47	Debet reserve for deferred freight payments ..	2,000,000.00
Bills and Treasury bonds ..	227,704,160.92	Relief fund for staff	400,000.00
Inventory	1.00	Deposits	539,411,591.21
Loans and advances:		Suspense accounts	17,114,981.76
covered.. 51,398,631.56		Profit and loss account...	1,378,118.00
uncovered 17,184,393.21	68,583,024.77		
Real property	400,000.00		
Total	565,704,690.97	Total	565,704,690.97

Profit and Loss Account of the Verkehrs-Kredit-Bank for the business year July 1, 1928, to June 30, 1929.

Debit		Credit	
	Reichsmarks		Reichsmarks
General expenses	2,520,600.89	Brought forward from the year 1927-28	180,344.00
Net profit	1,378,118.00	Profits on deferred freight payments	962,838.74
		Interest	2,314,225.96
		Commissions	441,310.19
Total	3,898,718.89	Total	3,898,718.89

Berlin, September 1929.

Deutsche Verkehrs-Kredit-Bank A.-G.

The Management:

(signed) PRERAUER e. SCHAEWEN SCHLESINGER

Annex V.

**Balance Sheet of the Mitropa as at the close
of the business year 1927-28.**

Assets		Liabilities	
	Reichsmarks		Reichsmarks
Rolling stock.....	19,310,000.—	Share capital:	
Equipment of cars....	263,000.—	ordinary	
Mechanical equipment	196,000.—	shares ... 9,600,000	
Equipment of offices, depots and dwelling houses.....	1.—	preference	
Various vehicles.....	1.—	shares ... 960,000	10,560,000.—
Material (stocks)	1.—	Bonus shares	8,256,000.—
Plant	1.—	Reserve	1,740,915.39
Land and buildings ..	2,247,000.—	Reserve for pensions..	286,500.—
Stores	4,766,811.38	Creditors	7,581,621.14
Linen	205,000.—	Caution money	126,042.38
Uniforms.....	109,000.—	Mortgages	131,012.59
Debtors	891,703.85	Profit and loss account	1,151,275.40
Cash in hand.....	69,021.90		
Bank balances	332,235.77		
Investments and hold- ings in other under- takings.....	1,443,590.—		
Total....	29,833,366.90	Total....	29,833,366.90

**Profit and loss Account of the Mitropa for the busi-
ness year December 1, 1927, to November 30, 1928.**

Debit		Credit	
	Reichsmarks		Reichsmarks
Expenditure on material	27,414,215.41	Brought forward from the previous business year	149,942.41
Salaries, wages and other expenditure on staff.....	11,597,339.41	Operating receipts ...	43,550,657.20
Taxes and social charges	2,018,565.35	Interest and various receipts	1,322,747.18
Depreciation of inven- tory	2,841,951.22		
Net profit 1,001,332.99			
Brought forward from the previous business year ...	149,942.41		
Total....	45,023,346.79	Total....	45,023,346.79

Berlin, May 1929.

Mitropa

Mitteleuropäische Schlafwagen- und Speisewagen-A.-G.

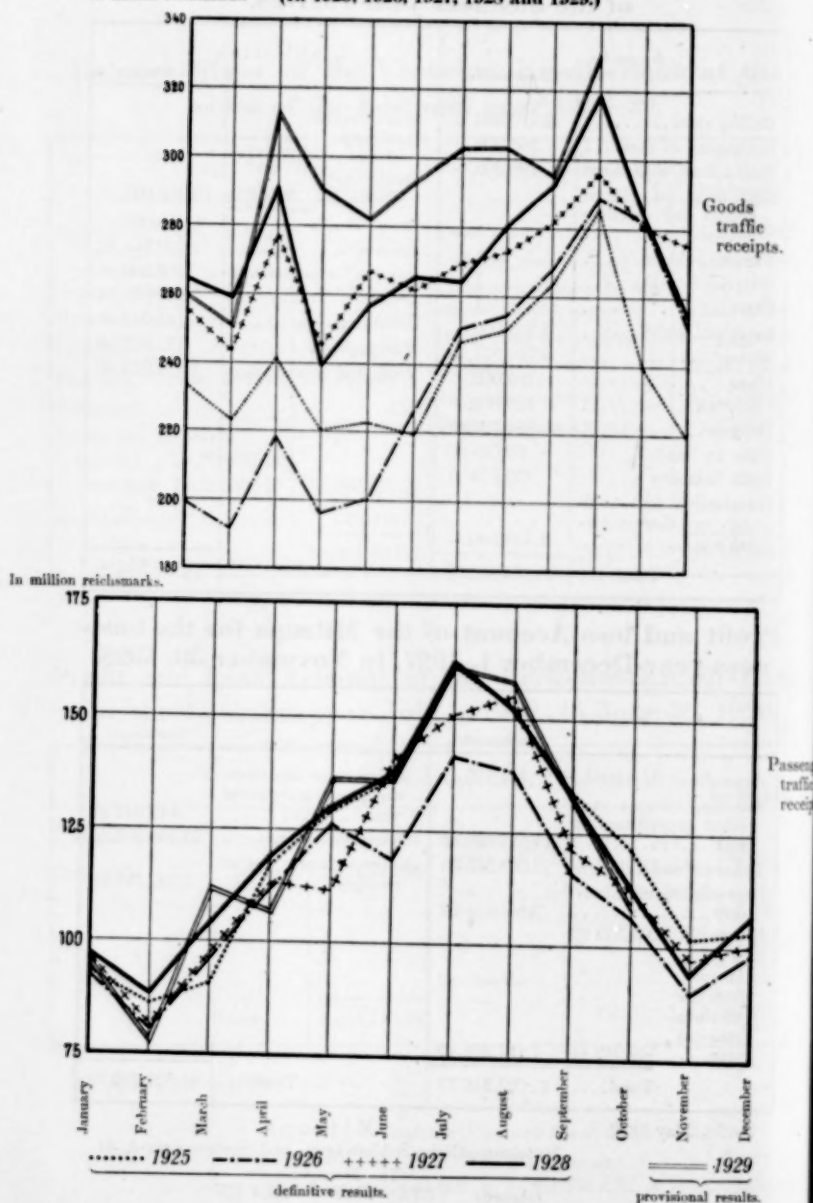
The Management:

(signed) **KIESCHKE ALTEN**

Annex VI.

German Railway Monthly Receipts.

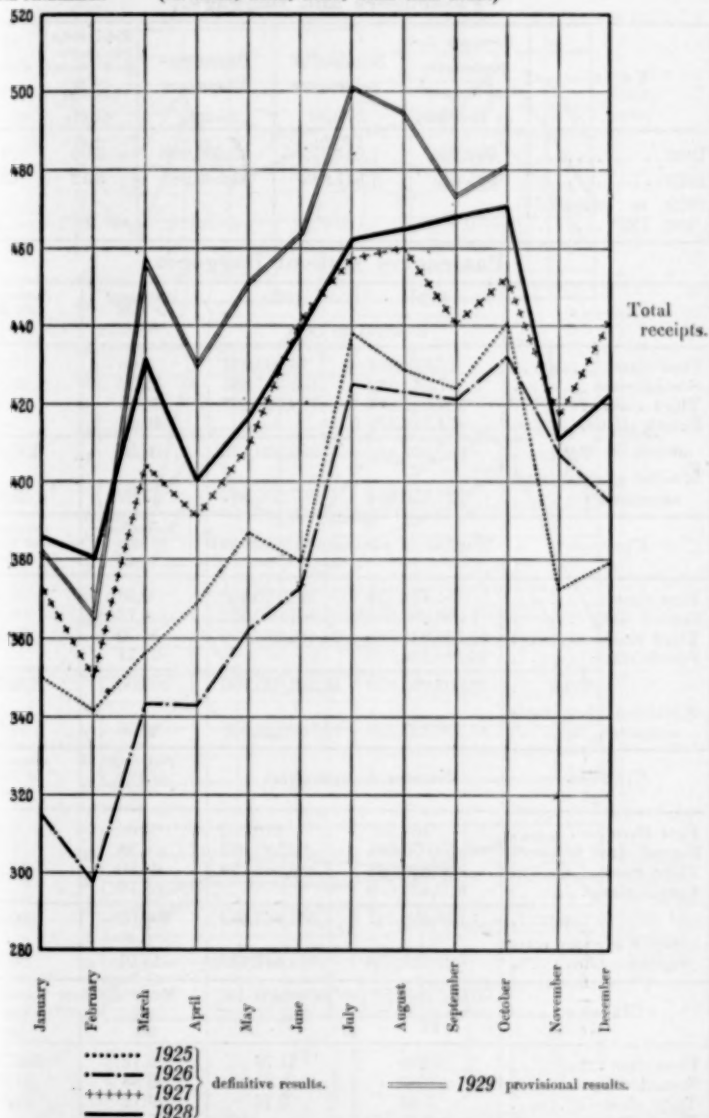
In million reichsmarks. (In 1925, 1926, 1927, 1928 and 1929.)



Annex VI.

German Railway Monthly Receipts.

In million reichsmarks. (In 1925, 1926, 1927, 1928 and 1929.)



In the total receipts are included the miscellaneous receipts as well as the passenger traffic and goods traffic receipts.

Annex VII.
Comparative Figures of Passenger Traffic for the Period
January—August in 1928 and 1929.

Passengers and Baggage.

Year	Receipts for passengers and baggage (In 1000 R.R.)	Number of passengers (In 1000)	Passenger-kilometers (In 1000)	Mean receipt per passenger-kilometer (with baggage) (In Pf.)	Mean distance travelled (In km)
1928	994,238	1,347,375	32,603,996	3.05	24.22
1929	985,439	1,341,963	31,589,085	3.12	23.54
1929 as compared with 1928	— 0.9%	— 0.4%	— 3.1%	+ 2.3%	— 2.8%

Passengers without Baggage.

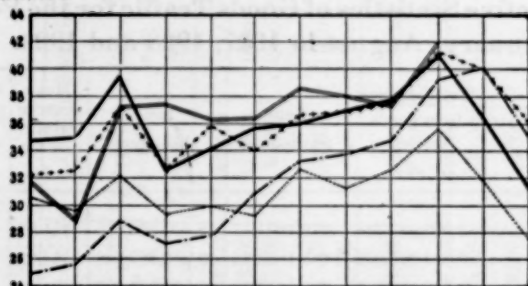
Classes	1928	1929	Percentage of 1928 total	Percentage of 1929 total
	Receipts in <i>R.M.</i>			
First class	15,878,994	16,902,924	1.66	1.78
Second class	117,285,830	155,367,885	12.23	16.34
Third class	351,631,614	778,628,369	36.65	81.88
Fourth class	474,513,378	—	49.46	—
Total....	959,309,816	950,899,178	100.00	100.00
of which at cheap rates accounted for	227,256,964	247,595,846	23.69	26.04
Classes	Number of passenger-kilometers		Percentage of 1928 total	Percentage of 1929 total
First class	151,434,737	143,756,408	0.46	0.46
Second class	1,998,084,614	2,961,090,022	6.13	9.37
Third class	10,336,241,786	28,484,239,276	31.70	90.17
Fourth class	20,118,234,733	—	61.71	—
Total....	32,603,995,870	31,589,085,706	100.00	100.00
of which at cheap rates accounted for	13,206,227,229	13,769,528,615	40.50	43.59
Classes	Number of passengers		Percentage of 1928 total	Percentage of 1929 total
First class	454,587	418,242	0.03	0.03
Second class	58,979,548	94,582,063	4.38	7.05
Third class	428,516,593	1,246,963,154	31.80	92.92
Fourth class	859,424,619	—	63.79	—
Total....	1,347,375,347	1,341,963,459	100.00	100.00
of which at cheap rates accounted for	727,707,526	754,413,737	54.01	56.22
Classes	Mean receipt per passenger-km		Mean distance travelled	
	Pf.	Pf.	1928 km	1929 km
First class	10.49	11.76	333.13	343.72
Second class	5.87	5.25	33.88	31.31
Third class	3.40	2.73	24.12	22.84
Fourth class	2.36	—	23.41	—
Total....	2.94	3.01	24.20	23.54
of which at cheap rates accounted for.....	1.72	1.80	18.15	18.25

Annex VIII.

Goods Traffic.

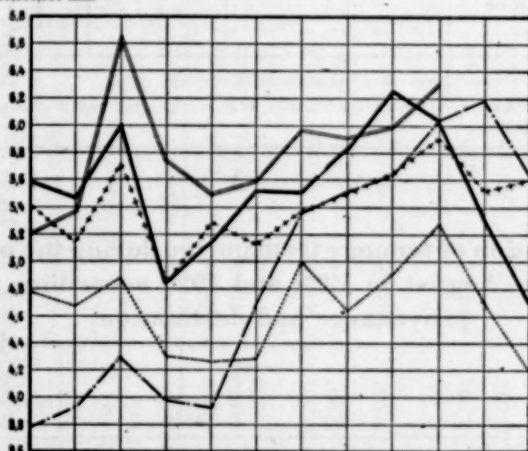
(In 1925, 1926, 1927, 1928 and 1929.)

In 1,000,000 t.



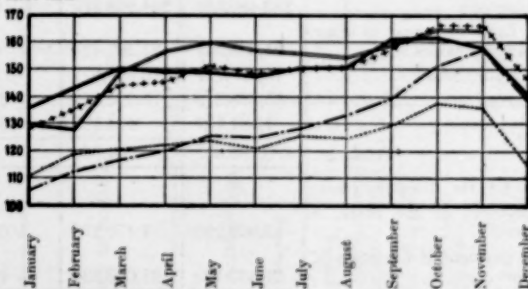
Tons
carr

In 1,000,000 tkm.



Ton-
kilometers

In 1,000 cars.



Average
number
of freight-
cars loa-
ded per
working
day.

..... 1925 -.-.- 1926 +++++ 1927 ——— 1928 ===== 1929
definitive results.

The above figures cover commercial transport only.

Annex IX.

**Comparative Statistics of Goods Traffic for the Period
January–August in 1927, 1928 and 1929.**

Year	Total receipts from goods carried in R.M.	Tons transported	Ton- kilometers	Mean distance travelled per ton in km	Receipts per ton- kilo- meter in Pf.
1927	2,092,887,318	279,100,913	42,400,266,770	151.92	4.73
1928	2,124,226,022	285,180,633	43,984,487,846	154.23	4.63
1929	2,306,155,817	285,264,860	46,007,627,198	161.28	4.83
1929 as compared with 1928	+ 8.56 %	—	+ 4.60 %	+ 4.57 %	+ 4.32 %
<p>The above figures cover commercial transports only. Accessory costs are included in the total receipts but not in the receipts per ton-kilometer.</p>					

**Distribution of tonnage transported during the period
January–August in 1928 and 1929 according to its
provenance and destination.**

	1928	1929	Changes in 1929 as compared with 1928
	tons		
I. Commercial tonnage:			
Inside Germany	232,486,586	231,168,317	— 0.6 %
Coming from or going to other German companies	21,388,934	21,492,424	+ 0.5 %
Coming from abroad	13,977,727	12,825,671	— 8.2 %
Going abroad	15,806,249	19,295,323	+ 22.1 %
In transit	1,521,137	483,125	— 68.2 %
Total	285,180,633	285,264,860	—
II. Tonnage for the Company's use:			
With payment of the costs of transport	3,909,590	1,470,270	— 62.3 %
Without payment of the costs of transport	27,537,129	31,042,233	+ 12.7 %
Total	31,446,719	32,512,503	+ 3.4 %
Grand total	316,627,352	317,777,363	+ 0.4 %

Annex X.

Quantities and prices of new materials employed for current upkeep and renewal of track in 1929 and 1930.

Nature of material	Probable results for 1929					1913 (present frontiers)			
	Units	Current upkeep Quantities	Renewals Quantities	Upkeep and renewals Quantities	Unit price RM.	Expenditure in million RM.	Upkeep and renewals Quantities	Unit price RM.	Expenditure in million RM.
A. Rails	T	26,000	335,000	361,000	145.0	52,345	269,000	118.0	31,472
B. Small metal fittings.....	T	53,000	115,000	168,000	250.0	42,000	120,500	168.0	20,244
C. Points	T	45,000	15,000	60,000	350.0	21,000	40,600	195.0	7,914
D. Metal sleepers									
a) for tracks	T	21,000	184,000	205,000	165.0	33,825	137,000	110.0	15,070
b) for points	T	27,000	5,500	32,500	170.0	5,525	24,700	110.0	2,717
Total for metal materials for superstructure.....	T	172,000	654,500	826,500	187.2	154,695	591,800	130.5	77,417
E. Wooden sleepers									
a) for tracks	meters	2,600,000	3,092,000	5,692,000	7.5	42,690	3,940,000	4.7	18,318
b) for points		900,000	194,000	1,094,000	3.6	3,938	424,000	2.0	0,848
F. Ballast	cubic meters	1,210,000	5,075,000	6,285,000	6.3	39,596	6,100,000	3.45	21,015
G. Miscellaneous material for superstructure.....	Price in RM.	1,700,000	2,000,000	3,700,000	—	3,700	1,900,000	—	1,900
Total for materials for super- structure	—	—	—	—	—	244,619	—	—	119,728

Report of the Commissioner of Controlled
Revenues.

REPORT
OF THE
COMMISSIONER
OF
CONTROLLED REVENUES

November 20, 1929

BERLIN

REPORT
OF THE
COMMISSIONER
OF
CONTROLLED REVENUES

November 20, 1939

DELLIN

Report of the Commissioner of Controlled Revenues.

April 1, 1929, to August 31, 1929.

I.

(1) This report covers the last five months of the fifth annuity year, corresponding to the first five months of the German budget year 1929-30. During each of these months 104 1/2 million gold marks had to be retained from the controlled revenues flowing into my account at the Reichsbank. In each month this contribution was paid over to the Agent General in three instalments, the last being invariably made by about the middle of the month, after which the incoming revenues were automatically released to the German Government. The equivalent of the total of 520,833,333.33 gold marks thus transferred amounted to 519,918,658.33 Reichsmarks. During the whole of the fifth annuity year a total of 1,247,485,756.67 Reichsmarks, corresponding to 1,250 million gold marks, was paid to the Agent General, the final payment being made on August 15.

(2) The constitution of the reserve fund of 100 million gold marks was completed during the fourth annuity year. The only operations on the fund during the fifth year have been the re-investment of monies becoming available from maturing securities and the immediate transfer to the German Government of the items of interest accruing on the fund investments, less taxes and bank charges. A duly certified statement of the income and expenditure of the fund during the year and the balance sheet as at August 31, 1929, are annexed hereto.

II.

(1) In the first seven months of the fifth annuity year the controlled revenues yielded a total of 1,672,337,000 Reichsmarks. For purposes of comparison the separate figures as shown in my last report are repeated below:

	1928				1929			Total
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	
	In thousands of Reichsmarks							
Customs	84,397	85,393	75,751	75,483	153,822	61,862	71,290	607,998
Tobacco	74,836	75,560	74,376	80,210	79,921	68,460	77,579	530,942
Beer.....	42,087	41,543	35,314	32,141	30,482	30,731	26,679	238,977
Alcohol	26,203	22,391	25,050	27,873	28,598	28,448	38,076	196,639
Sugar.....	16,846	15,479	11,836	17,264	14,069	12,838	9,449	97,781
Total	244,369	240,366	222,327	232,971	306,892	202,339	223,073	1,672,337

Receipts in the succeeding five months were as follows:

	Monthly average of Budget Estimate	1929					Total
		April	May	June	July	August	
		In thousands of Reichsmarks					
Customs	100,334	81,569	67,180	74,598	181,913	72,007	477,267
Tobacco	72,500	68,311	72,590	70,225	74,634	77,930	363,690
Beer	33,000	22,306	32,922	26,898	39,649	36,961	158,736
Alcohol	28,333	30,244	33,239	29,982	22,140	23,888	139,493
Sugar	13,333	8,801	11,266	11,444	12,570	14,584	58,665
Total	247,500	211,231	217,197	213,147	330,906	225,370	1,197,851

The average monthly receipts in this period amounted to 239.6 million marks, as compared with 238.9 millions in the preceding seven months, and with 231.0 millions in the corresponding five months of 1928.

(2) A comparison of the receipts in the five months reviewed with those in the corresponding months of 1928 is shown in the following table:

	April - August 1929	April - August 1928
	Total Receipts	
	In thousands of Reichsmarks	
Customs	477,267	496,557
Tobacco	363,690	339,574
Beer.....	158,736	157,899
Alcohol	139,493	100,328
Sugar.....	58,665	60,454
Total.....	1,197,851	1,154,812

The moderate drop in Customs receipts in the 1929 period is more than accounted for by the decrease in grain imports which commenced in the autumn of 1928, following on a very good home harvest. Since April 1, 1928, the only legislative changes calculated to have any appreciable influence on the yield of the controlled revenues have been those affecting the alcohol tax which were described in Section III of my report of June 21, 1929, but the increases in the rates of this tax as from June 1, 1929, being in most cases deferred by three months on account of the credits allowed for the payment of the tax, are not sufficient to explain the big increase in the alcohol revenue shown above: to a large extent this is attributable to the heavy purchases of alcohol before the entry into force of the higher rates of tax. The increase in the tobacco revenue must be ascribed in great part to the increase in

consumption which appears to have followed the sharp drop during the first quarter of 1929. The receipts from the beer and the sugar tax were substantially the same in both years.

(3) The final estimates of the yield of the controlled revenues for the year 1929-30 showed a total of 2,970 million marks. As will be seen from the following table, the receipts of the first five months fell short of expectations by some 3%:

	Budget Estimates for 1929-30	Five-twelfths of estimates	Actual receipts April-August 1929
In thousands of Reichsmarks			
Customs	1,204,000	501,667	477,267
Tobacco	870,000	362,500	363,690
Beer	396,000	165,000	158,736
Alcohol	340,000	141,667	139,492
Sugar	160,000	66,666	58,666
Total	2,970,000	1,237,500	1,197,851

The short period reviewed hardly permits of an accurate forecast of the development of the revenues during the whole year, and the returns from certain of the taxes are usually heavier in the autumn and winter months. Considering, however, that Customs revenue in the period includes one month of abnormally heavy receipts in consequence of half-yearly warehouse payments, it appears very probable that the deficit on this—the most important—revenue source will be such as to cause the total revenues to fall short of the estimates.

(4) The great development of the yield from the controlled revenues during the operation of the Dawes Plan is seen from the following table:

	Yield of the Controlled Revenues in the five annuity years				
	In thousands of Reichsmarks				
	1924-25	1925-26	1926-27	1927-28	1928-29
Customs	453,271 ¹	724,885	1,128,805	1,215,016	1,085,308
Tobacco	585,375	587,206	782,270	830,410	894,639
Beer	233,939	251,181	268,822	374,923	397,731
Alcohol	164,434	177,489	252,193	263,781	336,136
Sugar	265,559	227,832	291,828	168,361	156,430
Total	1,702,578 ¹	1,968,593	2,723,918	2,852,491	2,870,244

¹ Not including duties collected by the Rhineland High Commission, amounting to 3,484,000 reichsmarks.

In general the increase of revenue has been due to the consolidation of the economic situation, steadily increasing consumption, and increased rates of taxation. Receipts from Customs duties.

which had already shown a marked rise in the second year as a consequence of the increased stability of internal conditions, were materially influenced by the legislative changes of the autumn of 1925, which re-imposed the import duties on cereals and foodstuffs that had been suspended during the war, and introduced general increases in tariff rates. The increase of over 55% in the receipts of the third year as compared with those of the second year was mainly the result of these tariff changes. This rise continued in the fourth year, in consequence of a poor home harvest, but the receipts dropped sharply in the fifth year as the result of the excellent harvest of 1928.

The average yield of the Customs duties during the past three annuity years has been 1,143 million marks, and in consideration of recent developments and tendencies in tariff policy it seems fairly safe to predict that the receipts will continue to exceed one milliard marks per annum. The extent to which revenue will pass this mark will largely depend on the harvest yield of each year in Germany.

The rise in the receipts from the taxes on tobacco, beer and alcohol has been only in part due to the increase in consumption. The sharp advance of about 33% in the yield of the tobacco tax in the third year was due mainly to the introduction of the new system of taxation of cigarettes as from October, 1925. The raising of the beer tax rate as from January 1, 1927, accounted for the greater part of the increase of about 40% in the receipts of the fourth as compared with the third year. Beer revenue throughout the five years has, however, been influenced by a steady increase in consumption. The sharp rise in alcohol receipts in the third year was mainly in consequence of increased sales. In the two following years, increased tax rates further contributed to the improvement in the yield. Sugar tax receipts dropped heavily in the fourth year as the result of the halving of the tax rate in August, 1927. The average annual yield from these four excise taxes during the past three annuity years has been 1,673 million marks, and it is unlikely that, in the absence of big modifications of the tax system adversely affecting the yield, the receipts will in future fall much below this figure.

(5) The table on page 185 gives data in regard to consumption and receipts in tobacco, beer, sugar and alcohol. Taken together the figures indicate a satisfactory development both in consumption and in the financial results obtained. The individual groups will be dealt with later in this report. It is sufficient here to recall briefly the principal modifications in taxation which have been introduced in the five years of the Plan. The cigarette tax was amended twice, as from October 1, 1925, and June 1, 1926. The beer tax was raised on January 1, 1927, the sugar tax reduced by one-half on August 1 of the same year. Alcohol was subjected to two tax increases, dating from June 1, 1927, and June 1, 1929. A consequence has been a material increase in the sale price of cigarettes, beer and alcohol, and the retail values in these products show a considerably sharper increase than that of the quantities actually consumed.

III.

(1) Customs receipts for the period April-August amounted to 477 millions as against 497 millions during the same period of the preceding year. I mentioned in my last report that the favourable harvest of 1928 had led to a diminution in the imports of cereals during the months September 1928 to March 1929. The net yield of the Customs duties on these products increased in the course of the five following months, partly owing to heavy imports effected at the beginning of July before the entry into force of the new rates to which reference is made below. The yield still remained, however, below that realised during the months April-August 1928: the net Customs revenue on the principal cereals, malt (unroasted and unground), unpolished rice, peas and beans, amounted to 66 millions of marks during the period reviewed, as against 84 millions in the months April-August 1928, this diminution being nearly the equivalent of the loss of 20 millions suffered by the Customs receipts as a whole.

	Sept. 1928-August 1929			Sept. 1927-August 1928		
	Gross receipts	„Einfuhrscheine“ accepted in payment	Nett receipts	Gross receipts	„Einfuhrscheine“ accepted in payment	Nett receipts
In thousands of Reichsmarks						
Total from September to March	108,298	51,265 ¹	57,033 ¹	167,686	21,882	145,804
April	22,302	9,228	13,074	22,293	3,589	18,704
May	15,765	9,401	6,364	17,678	3,663	14,015
June	13,942	6,540	7,402	18,792	4,381	14,411
July	30,194	2,290	27,904	20,824	2,164	18,660
August	15,509	3,783	11,726	20,227	1,589	18,638
Total for the five months April-August	97,712	31,242	66,470	99,814	15,386	84,428
Total for the year	206,010	82,507	123,503	267,500	37,268	230,232

¹ Corrected figures.

It will be observed that the gross receipts during the last five months have not fallen off in any pronounced degree, but that the nett receipts have been affected by a twofold increase in the value of „Einfuhrscheine“ accepted in payment. It would be misleading, however, to talk of an increase in real exports; broadly speaking any export of German cereals must later be compensated by a corresponding import, and export only takes place owing to geographical conditions which make it profitable to export from one region rather than move the supply to another part of Germany which can more economically supply itself from foreign sources, provided that the amount exported can later be replaced from a foreign source at the same price, that is without payment of duty. The system of granting „Einfuhrscheine“, which are the converse of drawbacks, is simply a recognition of this situation, and secures

that, given the existing geographical distribution of internal supplies, the country as a whole shall be provided with cereals on the most economical terms, regard being had to transport costs.

It is the nett figure of imports which represents Germany's final needs, and fluctuations in these needs have had a direct and important influence on the trade balance of the years 1928 and 1929. The average monthly value of the imports covered by the last table during the calendar years 1927 and 1928 and the first eight months of 1929 has been respectively 139, 116 and 86 millions. The value of the total imports classified as foodstuffs and beverages in the following table shows a smaller diminution, the loss on cereals being in part compensated for by an increase in the imports of other food products.

Imports	Average Monthly Value In millions of Reichsmarks					
	1924	1925	1926	1927	1928	January- August 1929
1. Livestock	7.7	10.2	10.0	14.2	12.1	11.1
2. Foodstuffs and beverages	222.2	335.3	297.6	360.5	349.6	324.9
3. Raw materials and semi-manu- factured goods . .	383.5	517.6	412.3	599.4	603.9	609.6
4. Finished goods .	143.5	167.1	113.6	211.6	204.9	195.0
Total	756.9	1,030.2	833.5	1,185.7	1,170.5	1,140.6

The figures illustrate the remarkable increase in imports in merchandise included in the categories "Foodstuffs and beverages" and "Raw materials and semi-manufactured goods". The development of the Customs receipts has been particularly influenced by the former category, which includes most agricultural and dairy products, as well as those products that are generally grouped as luxury articles of consumption. The next table shows the duty yield in the course of the five years of the Plan in some of the more characteristic forms of merchandise of this category. It should be recalled that the duties on cereals, butter, cheese and eggs, which had been suspended during the war, were re-introduced, in the case of cereals on September 1, 1925, in the case of the other products on October 1, 1925; that the reduced rates on cereals provided for by the law of August 17, 1925 were raised successively on August 1, 1926, August 1, 1927, and July 10, 1929; that the rate of 22.50 marks per 100 kilos specified for butter by the law of August 17, 1925, was raised to 30 marks on August 1, 1926, though this rate has been in effect replaced by the conventional rate of 27.50 marks specified in the commercial agreement with Finland dating from October 1, 1926. The duties on coffee, cocoa and tea have not been altered in the course of the five years; those on wines were increased on October 16, 1925, but were subsequently replaced by the lower conventional rates following the execution of commercial agreements with Italy, France, Greece, and Portugal.

	Amount of duties raised In millions of Reichsmarks				
	1924-25	1925-26	1926-27	1927-28	1928-29
Cereals	—	74	247	230	124
Butter	—	18	29	34	37
Cheese	—	10	14	13	13
Eggs	—	12	13	12	12
Oranges, mandarins, cedrates	12	10	9	11	10
Coffee	116	130	153	171	191
Cocoa	30	24	26	26	28
Tea	10	10	11	12	13
Non-sparkling wines...	20	19	39	38	33
Total...	188	307	541	547	461
Total amount of Customs receipts taken during the five years.....	453	725	1129	1215	1085

Although the imports included in the category "Raw materials and semi-finished goods" show a value largely superior to those grouped as "Foodstuffs and beverages", they furnish lower Customs receipts in view of the fact that many of these forms of merchandise are admitted duty free or at low rates of duty. An exception is made in the case of wood, mineral oils, and raw tobacco; the values of the duties raised on these commodities in the course of the five years of the Plan are shown in the table below. The rates on wood and mineral oils have not been modified during the five years. The rate on raw tobacco was raised on August 16, 1925, from 30 to 80 marks per 100 kilos.

	Amount of duties raised In millions of Reichsmarks				
	1924-25	1925-26	1926-27	1927-28	1928-29
Wood; positions 74 to 76	17	13	20	31	24
Mineral oils.....	57	69	87	113	126
Raw tobacco	41	36	72	84	83
Total...	115	118	179	228	233

The duties charged on the merchandise covered by the two preceding tables are either duties directly protective to agriculture or duties of a fiscal character that have in most cases been established for many years. The total duties raised on these products in the last three years amount to 60% of the entire Customs receipts. A study recently made in the Statistical Office of the Reich on the yield of the agricultural duties shows that if in the first of these tables other agricultural products, especially cattle and meat, had been included, the percentage reached would have been around 80%. Public opinion being favourable to the maintenance, even to the extension, of the policy of Customs protection to agriculture, the first manifestation being the re-introduction by the law of

August 17, 1925, of the agricultural duties suspended during the war, it would appear that the future yield of the Customs rests on a firm base and can hardly fall below that registered in the last years, except in the case either of an extraordinary development of home agricultural production especially in cereals, or of a pronounced weakening of the general economic situation.

Several legislative measures, all aiming at strengthening the protection accorded to agriculture through the Customs, have been enacted in the course of the last months. I mentioned in my last report that the Government had appointed a board of experts to study the most suitable means of stabilising the price of bread cereals. This board was at first disposed to favour the establishment of a monopoly; later the idea was abandoned. The Government thereupon proposed increases in certain duties. A law of July 2 suppressed the reduced rates of 5 marks per 100 kilos on rye and oats and of 5 marks on wheat and spelt, and from July 10, when the new order came into force, the conventional rates of 6 marks and 6.50 marks respectively, which had been adopted in the Germano-Swedish treaty of May 14, 1926, became applicable to these products. The German Government desiring then to bring into force the autonomous rates of 7.00 and 7.50 marks respectively, endeavoured to induce the Swedish Government to renounce the conventional rates accorded on cereals, and when these negotiations failed they denounced the treaty, which accordingly will expire on February 15, 1930.

It is to be noted that the rate of duty in force serves as a base for the calculation of the value of the "Einfuhrscheine", so that the drawback accorded on the exportation of rye, wheat, spelt and oats, was increased on July 10, and will be still further raised on February 15, 1930, when the autonomous rates are due to come into force. A decree of July 3 suppressed the reduced rate of 12.50 marks per 100 kilos on ground cereals other than oats and rye, replacing it by a new reduced scale of 14.50 marks. In exchange for concessions on the import of grapes and oysters, France waived her claim to the conventional rate of 11.50 marks that had been accorded by Germany on flour. An agreement concluded on June 27 on this subject came into force on July 10.

With a view to stabilising the sale of home wheat the Reichstag passed a law on July 4, requiring that all mills established in German customs territory and using foreign wheat should be obliged during the period from August 1, 1929, to July 31, 1930, to mill a quantity of home wheat equal to at least 30% of the total quantity of wheat milled. For the period August 1 to November 30, 1929, the minimum proportion has been fixed at 40%. The Minister of Agriculture is authorised to increase these percentages at his discretion in the case of the larger mills, and further to modify the percentages established in the text of the law as the prices of cereals and bread may require his intervention; and in fact a decree of October 3, 1929, raised the minimum of 40% quoted in the law to 45% and fixed the minimum for the months of October and November, 1929, at 50%.

The autonomous rate of duty on butter has been raised from 30 to 50 marks per 100 kilos. The rate to be charged until

December 31, 1933, may not be below this scale of 50 marks; from January 1, 1934, to December 31, 1935, it may not fall below 40 marks, and from January 1, 1936, onwards below 30 marks. A difficulty arises from the existence of the conventional rate of 27.50 marks accorded to Finland by the commercial agreement of June 26, 1926, and the German Government has opened negotiations to secure the renunciation of this concession. A law of July 3 replaced the autonomous rates of duty on potatoes, which had till then been 1 mark per 100 kilos for the period August 1 to February 14 and 4 marks for the period February 15 to July 31, by the rates of 2 and 4 marks respectively, the former from September 1 to February 14 and the second from February 15 to August 31. The customs legislation on sugar was modified by a law of July 3, to which further reference is made below. The claims now being pressed by the agricultural interests concern principally the rates of duty on cattle, barley utilised as fodder, and malt. The Commercial Committee of the Reichstag has pronounced in favour of an increase in the rates on livestock imported for slaughter, beef and mutton, and has formally asked the Government to enter into no engagements in the course of commercial negotiations under way touching the rates of duty on pigs and pork, without previously securing their consent.

It will be recalled that the Customs law of August 17, 1925, expires on December 31, 1929. According to a statement by the Minister of Agriculture, the Government has under preparation a bill introducing a number of important amendments to the rates now in force, and this bill will be submitted to the Reichstag before the end of the year.

The Commerce and Navigation treaty concluded with Estonia on December 7, 1928, came into force on July 29, and an agreement with Switzerland, offering certain tariff concessions, was signed on April 23, to be applied as from July 20. An agreement reached with France in June extended to Indo-China the commercial regime established between the two countries by the treaty of August 17, 1927.

(2) The tobacco taxes in the course of the first five years of the Plan yielded the following sums:

	1924-25	1925-26	1926-27	1927-28	1928-29
	In thousands of Reichsmarks				
<i>Ad valorem</i> tax on manufactured tobacco.....	585,364	505,544	618,041	691,410	744,767
Tax on leaf tobacco introduced into cigarette factories ("Materialsteuer").....	—	23,274	128,179	138,900	149,761
Tax on cigarette tobacco and cigarettes in factories and warehouses on October 1, 1925 ("Nachsteuer").....	—	55,324	35,957		
Tax on tobacco substitutes...	11	64	93	100	111
Total.....	585,375	587,206	782,270	830,410	894,639

The progress of the yield reflects, generally speaking, the development in consumption and a certain advance in sale prices; but to appreciate exactly the movement from year to year account must be taken of several disturbing factors of greater or less importance to which reference has been made in my preceding reports and which may be mentioned again for purposes of convenience.

1. One month's receipts were lost in 1925-26 owing to the extension of the period allowed for the payment of the *ad valorem* tax.

2. As concerning the cigarette industry in particular a new system of taxation came into force on October 1, 1925. The introduction of this system led to a certain advance in the price of cigarettes and thus to an increase in the tax receipts derived from this product.

3. The 36 millions yielded by the *Nachsteuer* in 1926-27 relate almost exclusively to cigarettes consumed in the year 1925-26.

4. The exceptional payments charged on the cigarette factories by the law of March 31, 1928, furnished an extraordinary supplementary revenue of about 11 millions in 1927-28 and 30 millions in 1928-29.

Since the spring of 1927, receipts from the *Nachsteuer* have been limited to unimportant arrears, so that the totals of 138.9 and 149.8 millions respectively for the years 1927-28 and 1928-29 may be regarded in effect as representing the yield of the *Materialsteuer* for those two years.

The receipts of the five years under review show an average monthly yield as follows:

1924-25	48.8 million marks,
1925-26	48.9 " "
1926-27	65.2 " "
1927-28	69.2 " "
1928-29	
Sept. 1928-March 1929	75.8 " "
April 1929-Aug. 1929	72.7 " "

The slight reaction since March, which is shown in more detail in the monthly figures given on pages 3 and 4, followed naturally on the fall in the taxes raised in the first quarter of the year. The yield improved towards the end of the summer, reaching 77.9 million marks in August and 78.2 millions in September.

In fact, following the setback of last winter, consumption in all the various tobacco products has advanced rapidly, as the table on page 14 indicates. The figure of 8,646 millions of cigarettes taxed in the second quarter of the year has been exceeded only once since the inauguration of the Plan, namely in the third quarter of 1925, which, however, was subject to quite abnormal conditions owing to the pending institution of the new system of taxation. The taxes raised in the second and third quarters of 1929, showing 228.9 and 227.8 millions of marks or monthly averages of 76.3 and 75.9 millions respectively, are the highest recorded in any quarter since the third of 1925.

Quarter (Calendar Year)	Quantities taxed			Retail value (including tax) of taxed tobacco in millions of Reichsmarks				
	Cigars	Cigarettes	Cut tobacco	Cigars	Cigarettes	Cut tobacco	Chewing tobacco and snuff	Total
1924.....	5,132	22,053	32,812	682	814	210	53	1,759
1925.....	5,985	31,412	32,133	814	1,500	186	56	2,556
1926.....	5,682	28,338	37,647	749	1,277	218	59	2,303
1st quarter.....	1,307	6,874	9,176	182	314	54	14	564
2nd -.....	1,577	8,120	9,855	211	376	58	15	661
3rd -.....	1,635	8,247	10,232	219	382	60	15	676
4th -.....	1,778	7,292	9,441	250	370	57	14	693
1st quarter.....	1,644	8,010	8,980	222	409	55	14	709
2nd -.....	1,604	7,494	9,300	221	362	57	14	653
3rd -.....	1,638	8,467	9,680	225	407	59	14	705
4th -.....	1,918	8,170	9,430	275	400	59	13	747
1st quarter.....	1,429	7,470	9,166	194	364	57	13	628
2nd -.....	1,693	8,646	10,043	232	422	63	14	731
3rd -.....	1,786	8,620	9,662	235	421	60	14	730

The table on page 192 illustrates the general and remarkable increase in consumption in the five years under review. From 1924 to 1928 the consumption of cigars increased by 33%, that of cigarettes by 44%, that of cut tobacco by 14%. This advance in consumption has been naturally subject to fluctuations, and in particular the economic crisis at the beginning of the year 1926 materially affected the yield from cigars and cigarettes; but it is remarkable that it should have continued in 1928 when the general economic situation was less favourable than in 1927. It is true that the population, especially the number of persons of smoking age, increases each year, but this consideration explains only in part the development in consumption since 1924, which appears to be due principally to a definite increase in purchasing power and changes of habits and taste. The annual consumption of cigars, which in 1913-14 showed an average of about 120 cigars per head of population, now barely passes 105 per head, in spite of the advance in the last two years, while the consumption of cigarettes has passed in round figures from 200 per head before the war to 500 per head, an advance due partly to the extension of smoking among the female population. Finally, the consumption of cut tobacco has increased roughly from 380 to 600 grammes per head.

The development in consumption is still more evident if consideration is given not so much to the quantities taxed as to the sum total of the smoker's budget. The figures given in the preceding table show that from 1924 to 1928 the total retail value of tobacco taxed in Germany passed from 1,759 millions to 2,806 millions of marks, representing an increase of 60%. The average sale prices have shown a remarkable advance in the course of the last years, as appears from the following figures:

Financial year April—March	Cigars	Cigarettes	Cut tobacco
	In pfennigs per piece		In Reichsmarks per 1 kg
1924—25	13.5	3.6	5.90
1925—26	13.5	4.0	5.79
1926—27	13.2	4.5	5.81
1927—28	13.6	4.7	6.01
1928—29 ¹	13.9	4.8	6.20

¹ Provisional figures.

As regard cigarettes, the increase in the average price from 3.6 pfennigs in 1924-25 to 4.5 pfennigs two years later was due chiefly to the changed system of taxation which came into force on October 1, 1925; the subsequent increase would appear to be due to greater spending power. During the quarter July to September, 1929, the average price of cigarettes taxed was 4.89 pfennigs, against 4.88 pfennigs during the preceding quarter and 4.90 pfennigs during the last quarter of 1928. These three quarterly figures have been the highest as yet attained.

The same phenomenon appears from a consideration of the increasing part played by the 5 and 6 pfennig cigarette in the total of cigarettes taxed:

Financial year April—March	Percentage of total consumption at prices indicated				
	2 pf.	3 pf.	4 df.	5 pf.	6 pf.
1924—25	14.3	28.5	19.9	16.7	4.8
1925—26	5.3	31.2	23.3	25.0	6.2
1926—27	1.6	13.5	33.5	40.4	8.0
1927—28	1.3	6.6	31.2	48.8	9.5
1928—29 ¹	0.6	3.0	26.5	55.1	12.0
1929—30 1 st quarter ¹	0.5	1.9	25.4	56.9	12.8
2 nd „ „ ¹	0.5	1.9	25.5	56.1	13.7

¹ Provisional figures.

Considering the different tobacco products together, an indication of the average retail price per kilo as well as of the average tax raised is given in the following table:

Financial year April—March	Average retail price in Reichsmarks	Average tax	
		in Reichsmarks	in % of the retail price
1924—25	18.80	5.65	30
1925—26	19.90	6.20	31
1926—27	20.35	6.40	31
1927—28	22.00	6.00	27
1928—29 ¹	22.55	6.95	31

¹ Provisional figures.

The retail price and the tax per unit of weight naturally vary considerably according to the product concerned, the cigarette being far the dearest and the most heavily taxed. Taking cigars, cigarettes and cut tobacco separately, the corresponding figures per kilo over the financial year 1928-29 show the following:

	Average retail price in Reichsmarks	Average tax	
		in Reichsmarks	in % of the retail price
Cigars	20.80	4.20	20
Cigarettes	44.30	17.50	40
Cut tobacco	6.20	1.30	21

In spite of the development in cigarette and pipe tobacco consumption, the cigar industry still utilises the largest quantity of raw tobacco consumed (36 per cent). This industry centering principally in the State of Baden and in Westphalia is extremely scattered; yet there is evidence of a certain movement towards concentration, and the number of reported concerns producing either cigars alone or cigars and cut tobacco together fell from 13,570 in 1924-25 to 11,220 in 1927-28, a diminution of 17%. Cigars being made entirely by hand, this industry gives employment to a great number of persons; according to a census of June 16, 1925, there were employed in it no less than 162,000 persons, of whom 122,000 were workmen and women. Cigars yield about one-fifth of the total tobacco tax receipts.

The cigarette industry is much more interesting from the fiscal point of view in that it yields more than 70% of the total tax; yet it utilises but 29% of the total quantity of raw tobacco worked in Germany. It employed in 1925 41,000 persons, including 30,000 workmen and women. Attention has frequently been drawn in these reports to the movement towards concentration in this industry, and the following figures are eloquent on the point. Taking the factories engaged in the manufacture of cigarettes alone, it is found that those with an annual consumption of more than 120 tons of tobacco utilised in 1927-28 94% of the total quantity of tobacco used in cigarette manufacture, as against 73 % in 1924-25. Those with an annual consumption exceeding 1,200 tons of tobacco took in the same period 54% of the total quantity, as against 5% in 1924-25. The cigarette industry, in conspicuous contrast to the cigar industry, is established almost entirely in the towns, notably at Dresden, Berlin, Altona, Hamburg, Trier, Munich, and Breslau.

The remaining tobacco products (cut tobacco, chewing tobacco, and snuff) represent in weight a third of the total consumption and give employment to some 15,000 persons, but they have little importance from the fiscal point of view, the yield amounting to but 6% of the total tax.

It may be added that about four-fifths of the tobacco consumed in Germany is of foreign origin. During the twelve months October 1928/September 1929 imports of leaf tobacco showed 103,400 tons, while the home harvest of 1928, although superior to that of the preceding years, gave but 23,500 tons.

(3) The beer tax yielded 158,736,000 marks during the period reviewed, as against 157,899,000 marks during the same months of the preceding year. Consumption during the first quarter of the fiscal year 1929-30 represented 104.4% of that of the same quarter of 1928-29, but this increase is almost neutralised by the falling off of sales during the month of February, reference to which appeared in my report of June 21. As the figures of the table below will show, consumption has advanced continuously in the course of the five years.

Financial year April-March	Total production	Imports	Exports	Consumption
	In thousands of hectolitres			
1924-25	38,149	156	515 ¹	37,758
1925-26	47,500	186	497 ²	47,215
1926-27	48,342	177	545 ³	47,962
1927-28	51,619	196	624 ⁴	51,178
1st quarter of 1928-29 ..	14,654	41	145	14,550
2nd " " " " ..	16,814	62	141	16,735
3rd " " " " ..	12,606	53	139	12,520
4th " " " " ..	10,921	42	147	10,816
1st quarter of 1929-30 ..	15,313	52	172	15,193
2nd " " " " ..	17,732	55	155	17,632
¹ In addition, 32,000 hl. consumed by the occupation troops, ² " " 34,000 hl. " " " " " " ³ " " 12,000 hl. " " " " " " ⁴ " " 18,000 hl. " " " " " "				

The following table gives the total receipts taken during the five years of the Plan:

	In thousands of Reichsmarks
1st year, September 1924—August 1925	233,939
2nd " , , 1925— " 1926	251,181
3rd " , , 1926— " 1927	268,822
4th " , , 1927— " 1928	374,923
5th " , , 1928— " 1929	397,731

The receipts of the fifth year amount to 170% of those of the first. The increase is due in part to the growth of consumption, in part to the 33 $\frac{1}{3}$ % tax increase introduced on January 1, 1927. The small advance in the receipts of the third year, in spite of this tax increase, was due to the fact that in view of the extension of the time allowed for payment, the amount taken in that year covered only the receipts of four and a half months at the old rate and of six months at the new.

As was forecasted in the last report, the Government's bill embodying modifications in the taxation of beer was ultimately withdrawn. The bill had provided, *inter alia*, for the prolongation of the system of rationing the breweries by two years, and as the system was due under the law of July 26, 1918, to expire on March 31, the Government had extended it provisionally to continue to June 30. When the bill was withdrawn, the brewers association pressed for the maintenance at least of the rationing system, and a group of deputies presented a bill in the Reichstag providing for its prolongation by four years. On June 27 the Reichstag rejected this bill, and since July 1 the production of beer in Germany has been free from Government limitation.

(4) It was mentioned in my last report that the Customs duty on sugar had been raised from 15 marks to 25 marks per 100 kilos, the consumer's interest being protected by a clause requiring the duty to be reduced to 10 marks in the event of the average wholesale quotation for consumption sugar in Magdeburg exceeding 21 marks per 50 kilos over the period of a month. The figure of this maximum price was modified by a law passed on July 3. This law allows the maximum price to be raised by 15 pfennigs per 50 kilos a month from January to September each year; the highest price permitted accordingly being 22.35 marks in September. On October 1 the maximum price reverts to 21 marks. Since the raising of the Customs duty, imports of foreign sugar have been very small.

The effect of the successive changes in taxation on this industry may be summarised briefly. When the Experts' Plan came into operation the sugar tax stood at 21 marks per 100 kilos, the rate that had been fixed by the Finance Minister in December 1923 in accordance with his power under the sugar tax law to fix the tax at 35% of the producers' price at Magdeburg. In spite of fluctuations in the production price, this rate actually remained in force until the enactment of the law of August 10, 1925, which replaced the *ad valorem* percentage tax by a specific tax of 21 marks per 100 kilos. In 1927 the Customs duty on sugar was raised, while with a view to reducing retail prices and stimulating home consumption the tax was simultaneously reduced to 10.50 marks.

These measures had the effect of increasing the area under beet cultivation, the amount of sugar produced, and the consumption of sugar in Germany. Consumption per head is now some 25% greater than in 1913-14. The area under cultivation is within 4 to 5% of the normal area cultivated in the present German territory just before the war, and with a poor crop such as that forecasted for the 1929-30 campaign will produce only just enough sugar to provide for the country's internal consumption.

Since the reduction of the sugar tax the budget estimates of the revenue from this tax have been exceeded, but for the financial year 1929-30 the revenue will probably correspond roughly to the estimates.

Annuity year	Area under cultivation	Production	Consumption	Consumption in kilos per head	Product of Sugar tax
	in 1000 hectares	in terms of raw sugar in 100,000 kilos		in terms of refined sugar	in 1000 Reichsmarks
1924—25	354	15,636	14,015	20.21	265,559
1925—26	370	15,994	14,319	20.51	227,832 ¹
1926—27	370	16,635	15,212	21.70	291,828
1927—28	403	16,753	16,255	23.00	168,361 ²
1928—29	427	18,644	16,932	23.86	156,430
Increase in period	+ 21 %	+ 19 %	+ 21 %	+ 18 %	

¹ Abnormally reduced by extra delay allowed for payment of tax introduced during the year.

² Tax halved 1/8/27.

(5) In the course of the five years of the Plan the alcohol monopoly has yielded the following sums:

1924-25	164 million marks,
1925-26	177 " "
1926-27	252 " "
1927-28	264 " "
1928-29	336 " "

It will be observed that the receipts have doubled in the five years. The development has been due in part to heavier fiscal charges, in part to the increased quantities taxed.

As regards the former point, it will be recalled that the tax was raised by about 18% (from 280 to 330 marks) from June 1, 1927; later by some 21% (from 330 to 400 marks) from June 1, 1929. As to the quantities taxed, each of the last four years, except 1927-28, has benefited by a material increase. The following table shows the movement in consumption of both taxed and tax-free spirits.

Season Oct. 1 — Sept. 30	Taxed Spirits		Spirits not subject to tax	Total Consumption
	at full rate ¹	at reduced rate ²		
	Hectolitres of pure spirit			
1924—25.....	632,800	52,200	1,069,400	1,754,400
1925—26.....	685,900	40,500	1,156,800	1,883,200
1926—27.....	878,700	50,500	1,485,600	2,414,800
1927—28 ³	860,400	51,000	1,687,700	2,599,100
1928—29 ⁴	917,900	56,100	1,864,900	2,838,900

¹ Principally potable spirits.
² Principally spirits for perfumery and medicines.
³ Corrected figures.
⁴ Provisional figures.

During the winter 1926-27 and during the first five months of 1929 heavy stocks were laid in in anticipation of the coming tax increase. These stocks may not have been entirely exhausted at the end of the respective seasons and in this way the figures given above, 878,700 hectolitres and 917,900 hectolitres, may be somewhat higher than the real consumption in the seasons 1926-27 and 1928-29. In any case, as regards the latter season, the high figure given for the quantities taxed must be explained in part by the exceptional development in consumption due to the intense cold of last winter. It would be unwise therefore on the information at present available to regard this figure as representing consumption in a normal year.

In the course of the five seasons the quantities of alcohol produced in Germany, taken over, and sold by the Monopoly have been the following:

Season Oct. 1 — Sept. 30	Production		Alcohol taken over by the Monopoly ¹	Monopoly sales	Stocks of alcohol held by the Monopoly at the end of the season
	Total	not delivered to the Monopoly			
	In hectolitres of pure spirit				
1924—25	1,839,500	74,800	1,766,600	1,942,700	1,198,200
1925—26	2,229,900	131,900	2,099,600	2,294,200	979,900
1926—27	1,870,700	171,500	1,700,200	2,312,300	349,700
1927—28	2,805,400	210,200	2,596,800	2,424,200	503,800
1928—29 ²	3,240,600	233,200	3,004,800	2,608,900	899,700

¹ Including alcohol seized by the authorities.
² Provisional figures.

The fluctuations in production are explained mainly by the relative abundance of the potato harvest, by the higher or lower ration of distillation permitted, and by the more or less advantageous price paid by the Monopoly to the producers. The 1928-29 season was favoured by an excellent potato harvest, by the rationing of production at 100% of standard, and by the setting up of a "basic price" higher than in the preceding years. The production in this season is the highest recorded since 1914. The part not delivered to the Monopoly covers principally spirits prepared from grain and fruits. The part delivered to the Monopoly was derived over the last two seasons as follows:

Deliveries made to the Monopoly by	1927—28 hl	1928—29 ¹ hl
Agricultural distilleries	1,922,800	2,291,900
Industrial distilleries	418,300	408,700
Monopoly distilleries	255,500	303,900
Total	2,596,600	3,004,500

¹ Provisional figures.

The agricultural distilleries utilise chiefly potatoes, but in years when these are relatively dear they take also not unimportant quantities of maize. The alcohol that they produce from grain is not deliverable to the Monopoly but is sold direct by the distilleries to the producers of potable spirits and to the dealers. The industrial distilleries utilise principally molasses and grain, while the Monopoly distilleries, which do not benefit from the provisions of the law in regard to the purchase price, obtain their spirits chiefly from the residues left in the production of cellulose.

The sales of the Monopoly in the course of the five seasons reviewed are itemised in the following table:

	Season				
	1924-25	1925-26	1926-27	1927-28 ¹	1928-29 ²
	Hectolitres of pure spirit				
1. Taxed Spirits:					
Spirits sold at the so-called "normal" price (mainly potable spirits)	552,000	562,000	695,000	663,000	662,000
Spirits for pharmaceutical purposes and for perfumes	53,000	42,000	52,000	53,000	58,000
2. Tax-free Spirits:					
Spirits for the manufacture of vinegar...	129,000	133,000	144,000	140,000	138,000
Denatured spirits, spirits for industrial purposes	886,000	925,000	1,174,000	1,369,000	1,449,000
Spirits for motive power	54,000	99,000	167,000	179,000	278,000
Total sales for domestic consumption	1,674,000	1,761,000	2,232,000	2,404,000	2,585,000
3. Spirits for export	268,000	533,000	80,000	20,000	24,000
Total	1,942,000	2,294,000	2,312,000	2,424,000	2,609,000
¹ Corrected figures. ² Provisional figures.					

From 1924-25 to 1928-29 sales for domestic consumption increased by 911,000 hectolitres or 54%. The greater part of this increase, amounting to 787,000 hectolitres, represents the development in sales of denatured spirits, spirits for industrial purposes, and spirits for motive power, that is to say, those categories of spirits which are sold in Germany at the lowest prices and involve an important loss for the Monopoly. Sales of taxed spirits increased by only 115,000 hectolitres. The position, however, is less unfavourable than would appear from these figures, seeing that the Monopoly draws an important supplementary receipt from spirits which are not delivered to it and which, as I explained in my report of October 26, 1928, are subject, in addition to the normal tax payable to my account, to a special contribution to the Monopoly. In the five years the production of these spirits has trebled. It will be observed from the table given on page 20 that as between the seasons 1924-25 and 1928-29 the consumption of taxed spirits increased by 42 %, the consumption of untaxed spirits by 74 %.

On September 30 last stocks of spirits held by the Monopoly reached nearly 900,000 hectolitres, thus exceeding considerably the amounts required by the Monopoly for the carry over between two seasons. As a result the "Beirat" and the Monopoly decided to restrict production in the season 1929-30 and fixed the ration of distillation for that season at only 85 % of the standard. The "basic price", however, was raised slightly and established at 65 marks per hectolitre.

Reference was made in my last report to a provision of the law of May 21, 1929, which prohibited the sale in Germany of any spirits at

a price inferior to the Monopoly's normal sale price. A decree of June 26 determined the extension of this provision from raw spirits to potable spirits of all descriptions; in this latter case the minimum price applicable was to be equal to the normal sale price plus a certain supplement to cover expenses of preparation and marketing.

By the same decree authority was accorded to the Administration of the Monopoly, acting with the consent of the "Beirat", to lay down a scale of prices to serve as a working basis for controlling the sale prices of potable spirits. Spirits offered below this scale are regarded *prima facie* as calling for investigation. In accordance with this provision the Administration laid down in July a series of such minimum prices applicable to the different categories, explaining at the same time the scheme on which these prices would be modified according to circumstances, as, for example, according to the amount of the consignment. Towards the end of September the Administration determined further that the prices it had fixed were wholesale and semi-retail prices which would have to be raised for retail sales to a degree corresponding to the particular conditions of these sales. The control of prices, therefore, which had at first been understood as applying only to raw spirits has been extended first to wholesale, thence to retail, sales of potable spirits. The aim of this extensive control, it will be recalled, is to prevent sales of fraudulent spirits by suppressing the attraction which such spirits might have afforded to the purchaser through their low price, as well as by placing the purchaser in the position of committing an overt irregularity punishable by the confiscation of his merchandise.

Signed: *Andrew McFadyean.*

The Commissioner of Controlled Revenues.
Reserve Fund accumulated in Accordance with Chapter III of Annex I to the Agreement of August 9, 1924,
between the Reparation Commission and the German Government.
Income and Expenditure Account for the Fifth Annuity Year ended August 31, 1929.
(Expressed in Reichsmarks.)

Expenditure	Income
Amount applicable to the German Government in respect of interest earned on Investments (less taxes and expenses), and adjustments on Capital Account	Interest earned on Investments 6,955,255.51 Less :— Tax (<i>Kapitalertragsteuer</i>).... 419,018.02 Expenses of purchase of Investments 11,321.23 Charges for safe custody of Investments 6,006.25 Transfer from Capital Account, being the sum in excess of the amount required to retain the Reserve Fund at the Reichsmark equivalent of G.M. 100,000,000.00 at the fine gold rate of August 30, 1929 436,345.50 6,518,910.01
6,528,710.01	9,800.00
Balance Sheet as at August 31, 1929. <i>(Expressed in Reichsmarks.)</i>	
6,528,710.01	6,528,710.01

Assets	Liabilities
Investments Mortgage Bonds at cost, maturing 1930 and 1931 26,200,000.00 Treasury Bills maturing not later than November 30, 1929, (nominal value R.M. 75,650,000.00) cost 74,288,454.95 Cash at Bank 100,488,454.95 11,545.05 815,905.24 Interest Accrued , less tax thereon	Reserve Fund accumulated in accordance with Chapter III of Annex I to the Agreement of August 9, 1924, between the Reparation Commission and the German Government, as at August 31, 1928 99,689,000.00 Deduct: — Transferred to Income and Expenditure Account, being the sum in excess of the amount required to retain the Reserve Fund at the Reichsmark equivalent of G.M. 100,000,000.00 at the fine gold rate of August 30, 1929 9,800.00 Due to the German Government
101,315,905.24	99,679,200.00 1,636,705.24 101,315,905.24

We have audited the Books and Accounts of the Reserve Fund of the Commissioner of Controlled Revenues for the fifth annuity year ended August 31, 1929, and certify that the above Balance Sheet and relative Income and Expenditure Account are correctly prepared therefrom and properly balanced.

REPORT
OF THE
TRUSTEE
FOR
GERMAN INDUSTRIAL
DEBENTURES

November 15, 1929

BERLIN

REPORT

OF THE

TRUSTEE

FOR

GERMAN INDUSTRIAL

DEBITURES

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Report of the Trustee for German Industrial Debentures.

(September 1, 1928—August 31, 1929.)

The fifth year of application of the Experts' Plan of 1924 (Dawes Plan) ended on August 31, 1929. It was during this year, when the standard annuity under the said Plan reached its maximum of 2,500,000,000 gold marks, that the German, Belgian, British, French, Italian and Japanese Governments decided to entrust a committee of independent financial experts with the task of re-examining the reparation problem as a whole and of making proposals for a complete and definitive settlement. The committee of experts sat in Paris without interruption from February 11 to June 7, 1929.

The investigations and deliberations of this committee led to the elaboration of a new Plan which was unanimously recommended for acceptance by the Governments concerned. The Governments in question met in conference at The Hague and on August 31, 1929, unanimously adopted in principle the conclusions of the committee of experts.

The experts recommended that the charge imposed on German industry should be abolished. It follows that, from the coming into force of the new Plan, the charge with which industry is burdened for reparation payments will disappear.

While awaiting the establishment and promulgation in due form of the measures abolishing the charge, the present Report, like its predecessors, is designed to indicate the operations relating to the industrial charge which were carried out during the period September 1, 1928 — August 31, 1929 and to give for the same period the customary information on the most important industrial undertakings and on industrial production in general.

I.

Decrees promulgated by the German Government.

The decrees promulgated by the German Government during the period September 1, 1928 — August 31, 1929 are *three* in number and refer only to the application of the *Law for the production of the industrial charge* (Aufbringungsgesetz). They supplement the *nine* decrees previously promulgated.

The *Tenth Decree* of December 19, 1928 (Reichsgesetzblatt of December 29, 1928, Part II, No. 50, page 648) and the *Eleventh Decree* of January 3, 1929 (Reichsgesetzblatt of January 11, 1929, Part II, No. 3, page 32) in execution of the law for the production of the industrial charge were explained in detail in the interim Report of June 15, 1929.

The *Twelfth Decree* of June 28, 1929 (Reichsgesetzblatt of July 12, 1929, Part II, No. 39, page 572) alters the rate for the

second half-yearly annuity of the contributions due from the concerns, which was previously fixed by the decree of January, 3, 1929. Under the terms of this decree, the sum payable in 1929 by each concern—in equal instalments on March 15 and July 15—was fixed at 7.5 per mille of the working capital (*Betriebsvermögen*) of the concern in question. The twelfth decree reduces the rate for the second instalment from 3.75 to 3 per mille, which is equivalent to a reduction of 10 per cent on the whole annuity.

The rate applied to the working capital for the calculation of the annuity of 300 million gold marks was 7.65 per mille for 1928 and is only 6.75 per mille for 1929. There has accordingly been a reduction of 0.75 per mille in the 1929 contribution as compared with that of the previous year; and this indicates an increase in the value of the working capital (*Betriebsvermögen*) of concerns subject to the law for the production of the industrial charge.

II.

Operations carried out by the Trustee and the Bank in execution of the Industrial Charges Law.

Payment of the annuity.—The annuity payable by the concerns subject to the Industrial Charges Law from the fourth year of application of the Dawes Plan (September 1, 1927, to August 31, 1928) is constant and amounts to 300 million gold marks, of which 250 millions represent interest at 5 per cent and 50 millions amortisation at the rate of 1 per cent on the 5 milliards of debentures issued.

The Tenth Decree of November 19, 1928 in execution of the Law for the production of the industrial charge fixed March 5 and July 15, 1929 as the due dates for the payment by the concerns of the two half-yearly instalments. As the result of payments received on this account, the Bank, on the normal due dates April 1 and August 25, 1929, regularly paid to the Agent General for Reparation Payments for the account of the Trustee, who is responsible for the service of the industrial debentures, the two half-yearly instalments of 150 million gold marks each, 125 millions in respect of interest and 25 millions for amortisation.

Amortisation was effected by drawings, in conformity with the text of the bonds and debentures. As provided by the Industrial Charges Law, the Trustee holds 5 per cent industrial bonds and 5 per cent negotiable debentures to bearer. The drawing of industrial bonds took place on June 29, 1929, in the presence of representatives of the Trustee, the Bank and the notary, and the drawing of negotiable individual debentures was held under the same conditions on July 1, 1929. Notification of the drawings was published in the *Reichsanzeiger* of July 4, 1929, No. 153.

As the bonds and negotiable debentures were still entirely in the custody of the Trustee for the account of the creditor States, it was the Trustee who presented them to the Bank for cancellation on the due dates (September 1 for the bonds and November 1 for the negotiable debentures).

Following on the second amortisation, the nominal value of securities held by the Trustee for the account of the creditor States is reduced from 5 milliards to 4,897,500,000 gold marks, 4,328,998,000 gold marks being industrial bonds and 568,501,800 negotiable industrial debentures.

Cases of bankruptcy and voluntary liquidation.—In the course of the past financial year, the Bank continued to investigate cases of bankruptcy and voluntary liquidation among concerns subject to the industrial charge, such investigations being necessary for the reason that the Bank, under the terms of the Industrial Charges Law, has in such cases to enforce its prior right to collect annuities corresponding to the amount of the charge until the next distribution. *Annex I* contains a statement of the concerns which went bankrupt or were voluntarily liquidated during the period from September 1928 to August 1929.

The application of the provisions of the Industrial Charges Law which are designed to safeguard the rights of debenture holders in the event of bankruptcy or voluntary liquidation gives rise in practice to numerous calculations, which are mainly necessitated by the fact that the amount of the claim to be enforced is estimated on a basis of the Industrial Charges Law, whereas the sums actually paid by the concerns are worked out on a basis of the provisions of the Law for the production of the industrial charge (*Aufbringungsgesetz*). This means that in each case differences in the payments or arrears have to be determined under both laws before a final settlement is obtained. In order to overcome these objections and to simplify the work, the Bank decided, in agreement with the Government and with the Trustee, to substitute the guarantee attached to the debentures of the second distribution held in reserve for that of concerns which are bankrupt or have gone into voluntary liquidation.

The number of bankruptcies recorded during the period September 1, 1928, to August 31, 1929, was 205. The nominal value of the debentures issued by these concerns is 7,307,500 gold marks, or much less than the figure for 1927-28, which was 10,629,389 gold marks.

Voluntary liquidations during the period under consideration numbered 348, representing debentures to the nominal value of 15,000,635 gold marks, or an appreciable decline as compared with the previous year, when the nominal value was 30,705,256 gold marks. Both in the cases of bankruptcy and in those of voluntary liquidation, the Bank and the Trustee were able to waive the legal procedure for the recovery of the annuities due. In one single case they demanded the deposit of security for their claim; in three cases, which gave rise to the application of Article 49 paragraph 1 of the Industrial Charges Law, the amount of the deposit was reduced to part of the sum due.

Limitation, distribution, or removal of the public law mortgage.— Examination of the applications presented by concerns subject to the charge for the removal of the public law mortgage, for its limitation, or for its distribution in proportion to the respective values of the real property assets forming part of the working capital (Articles 41, 42 and 43 of the Industrial Charges Law) made up a considerable part of the work of the Bank and of the Trustee's office.

The number of cases investigated totalled 1,384 and related to 844 mortgaged concerns. Although this number may seem high, it should be observed that the sums covered by the applications were not very large as compared with the total working capital of the concerns subject to the charge. In the case for example of the most frequent applications, those relating to the removal of the charge under Article 43 paragraph 2 of the Industrial Charges Law, the Bank estimated in its last report that the value of the real property thus exempted from the charge during 1928 represented only 1.7 per cent of the working capital in the form of real estate of the concerns submitting the applications, while the real assets corresponding to the charge on the same concerns represented a cover of 359.52 per cent.

The following figures show the number of operations carried out under this head:

Article 42, paragraph 2. — 7 concerns with a working capital of 6,834,042 gold marks and debentures for 2,000,000 gold marks, and with real property to the value of 797,228 gold marks, applied for the reduction of the mortgage, as allowed by the law, to a fraction corresponding to the ratio between the value of the real property and that of the total working capital. The real property of these concerns is now charged to an amount of 108,228 gold marks, instead of 2,000,000 gold marks.

Article 42, paragraph 1(a). — 1 concern with a working capital of 1,974,190 gold marks and a debenture to the value of 387,000 gold marks successfully applied for the distribution of the public law mortgage in accordance with the terms of the law; that is, for the distribution of the charge over real property to the total value of 1,447,889 gold marks, in proportion to the value of the component parts of the property.

Article 42, paragraph 1(b). — 37 concerns with a working capital totalling 446,445,471 gold marks and debentures to the nominal value of 87,569,932 gold marks, successfully applied for the exemption from the mortgage charge of a part valued at 6,367,445 gold marks, out of real property to the total value of 480,885,489 gold marks.

Article 42, paragraph 1(c). — 16 concerns with a working capital totalling 8,938,593 gold marks and debentures to the nominal value of 1,754,000 gold marks had real property to the value of 1,388,918 gold marks freed from the mortgage in return for the provision of collateral security.

Article 42, paragraph 1(d). — 14 concerns with a working capital totalling 26,837,425 gold marks and debentures to the nominal value of 5,268,500 gold marks applied for the exemption from the public law mortgage of real property valued at 1,836,835 gold marks, out of real property to the total value of 3,258,029 gold marks. The applications were favourably received, subject to the provision of an equivalent guarantee.

Article 43, paragraph 1. — 6 concerns with a working capital of 12,434,547 gold marks and debentures to the nominal value of 2,438,500 gold marks applied for the distribution of the mortgage between the property alienated and the property retained in proportion to their respective values. The distribution was carried out, except in one case, for real property to the value of 735,000 gold marks. In the case of the one exception, Article 42, paragraph 1(d) was applied and the concern was asked to supply another guarantee in the place of the real property guarantee.

Article 43, paragraph 2. — 763 concerns with a working capital totalling 7,062,852,870 gold marks and debentures to the nominal value of 1,399,722,300 gold marks obtained the removal of the mortgage charge from property alienated to the value of 87,965,265 gold marks, out of property to the total value of 5,440,403,714 gold marks.

Article 49.—Transfers of concerns, in the event of total cession, imply that responsibility for the mortgage charge is assumed by the cessionary in the place of the party making the cession; in the event of partial transfer the amount of the charge and of the annuity has to be distributed between the party making the cession and the cessionary. Operations of the kind during the period September 1, 1928, to August 31, 1929, numbered 1,007, the nominal value of the debentures issued by the concerns in question being 316,551,483 gold marks. Of these, 660 cases representing a nominal debenture value of 95,488,410 gold marks were total cessions, and 341 cases representing a nominal debenture value of 221,063,073 gold marks were partial cessions.

* *

Negotiable debentures.—The nominal value of the negotiable debentures held by the Trustee was originally 653,500,000 gold marks, the number of concerns liable to issue debentures of the kind being 209.

As a result of the exchanges effected by the Trustee during the financial year 1927-28, the said value was reduced to 589,000,000 gold marks and the number of issuing concerns to 169.

During the period under consideration in the present report, the Trustee continued to have recourse to the provisions of Article 18 of the Industrial Charges Law, and exchanged negotiable debentures to the nominal value of 8,600,000 gold marks for an equivalent nominal amount of industrial bonds. As a result of these exchanges the nominal value of the negotiable debentures held in custody was 580,400,000 gold marks on August 31, 1929, the number of issuing concerns being 165 instead of the previous figure of 169.

III.

Movement of Concentration recorded among Undertakings subject to the Industrial Charges Law.

It has already been explained that German industry has been obliged since the stabilisation to reorganise its structure, so as to enable it to tackle with more chance of success the problems to which new economic conditions have given rise. The movement in question was first apparent in the heavy industry, which suffered more than any other branch from the unfortunate consequences of an abnormal and artificial growth of undertakings established without any real and solid economic foundation. Other branches of industry followed, and the movement gradually extended until finally it included an ever-increasing number of concerns.

Reorganisation was carried out simultaneously in the departments of finance, economics and technique. A number of unproductive concerns had to be eliminated, the remaining undertakings being grouped together in more durable form; the necessary working resources, and particularly liquid capital, had to be found; and in addition it was necessary to perfect methods of production and technical plant and to apply to each special branch the system of rationalisation suited to that branch. Efforts in this direction first entailed the concentration of already large concerns in the form of still more powerful organisations of production, but subsequently the movement also spread to undertakings of medium and small size. Previous reports have already summarised the various stages of the movement and have indicated the cases of concentration which are of most importance from the economic point of view. The information previously given is now completed by the list in *Annex II* of new cases of concentration which occurred in the period from September 1, 1928 to August 31, 1929. The operations in question have been grouped as usual according to their nature in the following categories: a) *purchase of holdings or shares*; b) *amalgamations*; c) *formation of „communities of interests“*.

The results so far obtained by the work of reorganisation in German industry have begun to find expression in improved output, the reduction of working costs and the better financial results obtained by various undertakings. These results have been recognised and confirmed in the declarations made on several occasions by prominent financiers and industrialists in Germany and in the reports published by industrial undertakings. Without the work of rationalisation which has been accomplished, industry would have been unable to resist the unfavourable tendencies which have recently developed. But the work cannot yet be looked upon as terminated, and its continuation represents one of the most important problems which still occupy the attention of interested circles.

During the period here under consideration, some of the most important cases of concentration were in the potash industry. There is an increasing tendency in this branch to accumulate all productive activity in the hands of a limited number of organisations, and the progress accomplished is already remarkable.

The industry producing electric power also tends to form increasingly important groups which, by combining and progressively extending their systems of distribution, can make the best use of sources of power and can exploit them rationally by adjustment to the demand in the various districts of Germany.

Attention should also be drawn to the group constituted by manufacturers of railway cars and material, the object in this case being to rationalise construction, unify the various types of vehicles and eliminate less favourably placed undertakings, so as to reduce competition and at the same time to obtain better cost prices.

Reference may also be made to operations in the mechanical milling industry, where the most important undertakings are endeavouring to absorb a number of lesser concerns which have hitherto retained some degree of independence.

Finally, some attempts at concentration have begun to appear in the textile industry, which by the special character of its production, the technical difficulties due to the large variety of mechanical installations and the diversity of its products has not as yet displayed the same activity in rationalising as the other branches of industry.

In regard to international relations, although there is no need here to go into details, mention may be made of the fact that Germany has further extended, and is continually extending, the network of interests which unite her industry with those of other big producing countries, particularly the United States of America, Great Britain and France. Among the most recent cases of concentration are those relating to the electro-technical and chemical industries, the production of artificial silk and the construction of automobiles.

IV.

Amount of Loans issued by the Industrial Concerns subject to the Industrial Charges Law.

The amount of new capital made available to German industry in the form of long-term loans did not, during the period under consideration, reach the level of the financial year 1927-28, which was already marked by a considerable drop as compared with the previous year. It was particularly on the domestic market that the lack of available capital was most acutely felt. It is not the object of the present report to consider in detail the causes of the slowing down in the importation of capital into Germany or of the shortage of liquid funds with which the home market is afflicted. Industry was nevertheless able to obtain to some extent the funds indispensable to the normal conduct of business.

Numbers of industrial concerns increased their share capital during the period under review. These increases, which aggregated more than 600 million reichsmarks, were sometimes carried out with the help of foreign capital, a procedure which to some extent compensated for the decline in the volume of long-term loans concluded outside Germany. New companies were formed during the same period with a share capital of almost 450 million reichsmarks. More

than a milliard reichsmarks in all has been added in this way to working capital of German industry, without recourse to the issue of loans.

The lists of *Annex III* show that the volume of long-term loans issued abroad by undertakings subject to the industrial charge during the period September 1, 1928 to August 31, 1929 was 384,490,000 reichsmarks, whereas the total for loans placed within the country was only 4,500,000 reichsmarks. There were eleven issues of the former category, one of which, that of the Potash Syndicate (Deutsches Kali-Syndikat), is the third tranche of a loan previously concluded. Only three issues were made in Germany.

Almost all these transactions, whether abroad or on the German market, were concluded between the end of 1928 and the beginning of 1929 or in the third quarter of 1929. The period of almost absolute inactivity coincides with the work of the Committee of Experts which met in Paris. During the discussions and deliberations of this Committee, all issuing banks and all industrial undertakings displayed the very greatest reserve, desiring to know the result of the Committee's work before assuming new commitments.

The United States of America still come first in regard to the amount of the loans accorded. Second among the lenders comes Great Britain. In regard to the German domestic market, industrial loan business has, as we have seen, been almost at a standstill. This is primarily due to the fact that the calls made by public bodies and by the Reich on the money market exhausted, or almost exhausted, existing resources.

The following table shows the volume of loans issued in the course of the five years of application of the Experts' Plan from 1924 onwards, both abroad and in Germany, by undertakings subject to the industrial charge:

Reparation year	Issues		Grand total
	Abroad	In Germany	
1924-25	165,700,000	—	165,700,000
1925-26	908,663,000	264,950,000	1,173,613,000
1926-27	582,372,000	224,570,000	806,942,000
1927-28	467,950,000	259,700,000	727,650,000
1928-29	384,490,000	4,500,000	388,990,000
<i>A.H.</i>	2,509,175,000	753,720,000	3,262,895,000

The terms of issue, owing to the unfavourable situation on the international money market, were as a general rule less advantageous than before. In the case of loans issued on foreign markets, the interest rate, it is true, remained in most cases between $6\frac{1}{2}$ and 7 per cent; but the borrowing concerns, in order to obtain better interest terms, were compelled to grant appreciable advantages to subscribers of bonds, in the form of redemption premiums, option rights, or occasionally even the cession of free shares. In addition, the issue rate was frequently lower than that previously applied. In Germany the usual interest rate was 8 per cent.

It should be noted, in connection with external loans, that, as a result of the abolition of the industrial charge as a form of reparation payment proposed by the new Committee of Experts and approved in principle by The Hague Conference, the debentures issued by industrial concerns subject to the charge will acquire the prior rights in regard to the real guarantees attaching thereto which the reparation debentures are enjoying. This is a considerable advantage by which holders of German bonds will benefit free of charge, as soon as the new plan is put into force.

V.

Financial Results obtained by the most important Industrial Undertakings in the course of the financial year 1927—28 or the calendar year 1928.

The reports of November 15, 1927 and November 15, 1928 gave information on the proportion of their profits which the most important undertakings subject to the Industrial Charges Law were obliged to use for the payment of interest and amortisation on their reparation industrial debentures. The information in question was drawn for the periods 1925-26 and 1926 from examination of the balance sheets of 254 undertakings, while for the periods 1926-27 and 1927 it was drawn from examination of the balance sheets of 360 undertakings.

For the periods 1927-28 and 1928 the tables shown in *Annex IV* of the present report also cover the results shown in the balance sheets of 360 undertakings, which, with the exception of a very few companies which have disappeared as the result of amalgamation, are the same as those which figure in the report of November 15, 1928. They have been grouped, as previously, in eight categories according to the nature of their activities.

The recapitulatory statement in the Annex shows the results of the balance sheets inspected for each of the eight categories; for purposes of comparison, the profits realised in the years 1926-27 and 1927 are shown side by side with those for the years 1927-28 and 1928 which are examined in the present report.

It should be noted, as explained in previous reports, that figures shown in the different balance sheets under the same head are not always absolutely identical in character; that the method of distributing costs and of calculating the sums written off differs for each concern; and finally that it is not always certain that the total annuity in respect of the reparation debentures is included in the costs, since the date for closing the accounts does not coincide exactly with the date on which the annuity falls due. It follows that the figures given are not absolute in character; it is nevertheless possible to draw from them conclusions which are generally speaking in the neighbourhood of the real facts.

The 360 industrial undertakings whose balance sheets have been examined represent a share capital of 8,723,581,876 reichsmarks, or 38.12 per cent of the capital of German joint stock companies, which amounted on December 31, 1928, to 22,885,000,000 reichsmarks. The total debentures issued by the concerns in question

have a nominal value of 1,594,087,218 gold marks, corresponding to 31.88 per cent of the total industrial charge, which is 5 milliard gold marks.

The working profits realised by these concerns during the years in question (1927-28 or 1928) total 1,293,585,726 reichsmarks, or an average of 14.83 per cent on the invested capital, as against an average of 14.56 per cent for the previous year.

The annuity due from these same concerns for the service of interest and amortisation on the industrial debentures issued amounted to 94,678,731 reichsmarks, representing 7.33 per cent of the profits realised, as compared with 6.31 per cent during the preceding period. It was during the financial year 1928 that the rate of the annuity rose from 5 to 6 per cent. (The payments actually made by the concerns in question must have fallen short of this sum by approximately 18,000,000 reichsmarks, since they were made on a basis of the Law for the production of the industrial charge [*Aufbringungsgesetz*] which, by enlarging the circle of concerns which are obliged to make the total annual payment of 300,000,000 gold marks, reduces the charge borne by the concerns which have issued debentures.)

Out of the profit of 1,293,585,726 reichsmarks, a sum of 621,069,108 reichsmarks, or 48.01 per cent of the profit (as against 46.54 per cent for the previous year) was written off; 610,364,536 reichsmarks, or 47.18 per cent (as against 47.92 for the previous year) were distributed to the shareholders in the form of dividends; and the balance of 113,778,835 reichsmarks was used in part for special purposes (distribution of directors' fees, increase in welfare and relief funds, strengthening of special reserves, etc.) and in part was carried forward to the next year. The dividends distributed to the shareholders represent an average of 7 per cent of the share capital, which corresponds approximately to the average dividend of 6.95 per cent distributed for the previous year.

From examination of the above figures the conclusion may be drawn that the concerns whose balance sheets were examined were able, during the years 1927-28 or 1928, to obtain on an average financial results which, in spite of the slackening in industrial activity noted in 1928, do not differ appreciably from those of the previous year. The table shows in particular that the dividends of the textile industry fell from 10.40 to 9.70 per cent, while those of miscellaneous industries fell from 7.63 to 7.59 per cent; but on the other hand the dividends of the chemical industry rose from 7.45 to 8.03 per cent, those of the electro-technical industry from 7.73 to 7.84 per cent and those of the metals and machinery industry from 4.96 to 5.16 per cent.

The above results only refer, as already indicated, to 360 of the most important concerns. But they are in general confirmed by the official statistics covering a much larger number of companies. Thus 1,469 industrial companies, for example, with a share capital of 11,152,000,000 reichsmarks, which closed their business year during 1928, distributed, according to statements published by the Statistical Office of the Reich, an average dividend of 7.3 per cent, as against 7.1 per cent during 1927.

VI.

Movement of Industrial Production from September 1, 1924 to August 31, 1929.

Previous reports have already emphasised the importance which attaches to examination of the figures for industrial production in Germany, either from the general point of view, or for the reason that production has to bear the charge for the service of the 5 milliard gold marks of industrial debentures created under the Experts' Plan of 1924 (Dawes Plan).

The observations made in the course of the fifth year of application of the Plan (August 31, 1928-September 1, 1929) are based, as is customary in these reports, on official statistics and on the data supplied by German economic publications. The information thus collected has served as a basis for the calculation of indices for each branch of industry and of a general index for industrial production. These indices have been calculated by the method formerly applied, so that it is now possible to observe at a glance the progress of industrial production since the stabilisation and to ascertain the fluctuations of the basic industries and of those industries which may be looked upon as the most characteristic for the trend of economic development.

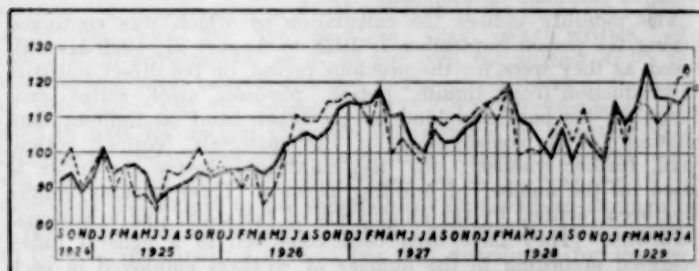
The monthly indices the calculation of which was continued during the period September 1, 1928 to August 31, 1929 are still based, as they were for the previous period, on the direct statistics of production (coal, lignite, potash, pig-iron, steel, rolled products) on the one hand, and on the other hand on indirect data relating to the consumption of raw materials (copper, cotton, wool, leather, rubber); for the building industry the index is based on the number of building permits. These various indices have been rectified by the elimination of variations due to seasonal influences. They have then been combined in a general index weighted according to the number of workers employed in each industry and also according to the horse power utilised. The method of calculation followed for the compilation of the statistics has been explained in detail in the reports of the last few years; and it is unnecessary to go into the matter again, except to recall the reservations made on certain points which might give rise to different theoretical interpretations. It is sufficient to add that the basis of comparison for the indices is the arithmetic mean—assumed to be equal to 100—of the monthly figures corresponding for each of the various categories to the period September 1924 to August 1927. The tables containing the statistics of output, production and consumption, the co-efficients of seasonal variation and the figures showing the value of the unweighted monthly indices and of the general index of production will be found in *Annex V*. These tables cover the period of five years from September 1, 1924 to August 31, 1929. The graphs reproducing the curve of development followed by each category of industry also refer to this period; detailed information on all the categories of industry is given in the following chapters, so that it is easy to compare the successive stages traversed by German industry during the five years of application of the Experts' Plan of 1924.

Coal.

The index for the production of coal, based on the figures for the monthly output for the whole of Germany and making allowance for seasonal variations, developed from September 1, 1928, to August 31, 1929, on lines different from those of the previous year. For the last few months of 1928 and the first quarter of 1929 the index was almost always below the level for the corresponding months of the previous period, reaching its minimum of 98.2 in December. It was not until April 1929 that it made a marked recovery, reaching in that month 125.5, or the highest point of the whole period under consideration. It has since fallen slightly, although it remains at a fairly high level above that of the period April-August 1928, whereas ordinarily production tends to fall in the course of the second quarter of the year. During the months in question it has varied between 114 and 116, with an appreciable rise in August to 118.9.

The variations in the index for the production of coal are shown in *Diagram 1*; curve *a* represents the index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 1.



This trend of the production curve was the result of events which occurred in the course of the year under consideration. In the first instance the lock-out in the metallurgical industry of the Ruhr, although its effects on the output of coal were not as marked as they were on the production of pig-iron and steel, nevertheless entailed some reduction in consumption; and in the second place the period of intense cold in February-March 1929 made the extraction and transport of coal extremely difficult and so helped to reduce production.

In the industries consuming coal there was no revival of activity until April, and it is precisely from this month that an appreciable increase in extraction is to be noted. It should be added, however, that the increased production in the first eight months of 1929 as compared with the corresponding period of 1928 is due not only to larger consumption in Germany, but also to a revival in exportation. From January to August 1929 the total output of the German coal mines was 107.3 million tons, as against 101.4 millions in 1928. During this same period domestic consumption rose from 90.3 to 95.3 million tons, representing a monthly average of 2.144 million tons as against an average of 1.956 millions in 1928.

Great Britain also made great efforts to improve her position as an exporter to the German market; and she succeeded in raising the quantities of coal exported to Germany from 3.3 million tons in 1927 to 4.7 millions in 1928. During the first eight months of 1929 British coal exports to Germany totalled 3.4 million tons, or a monthly average of 0.426 millions as against 0.356 during the same period of 1928.

In absolute value, the German output of coal during the last five years is represented by the following figures (in millions of tons):

	Total	Monthly Average
1925	132.6	11.05
1926	145.3	12.11
1927	153.6	12.80
1928	150.9	12.57
1929 (eight months)	107.3	13.41

The improvement on the German market is shown by the position of the mines in the Ruhr basin, which are the most important in Germany and in 1928 supplied 75.93 of the total output. The degree of employment of the Ruhr miners rose steadily from November 1928, during which month the number of shifts unemployed as the result of lack of demand on the market reached its maximum of 1.61—calculated on 25 working days per month and in relation to each worker employed. This rate was reduced to 0.01 in March 1929, and after this there were no more unemployed shifts until August. It was thus possible considerably to reduce stocks accumulated at the pithead between the end of 1928 and the beginning of 1929. A further point to be noted is the constant increase in the output of the workers. The average daily output per worker in the mines rose from 1480 kilograms in September 1928 to 1560 in August 1929, thus continuing the upward movement observed since 1925, in which year the rate of extraction already exceeded that of 1913. Expressed as a percentage of 1913 the output per worker has progressed as follows: 1925—101.55 per cent; 1926—118.35 per cent; 1927—119 per cent; 1928—126 per cent; 1929 (eight months)—113.6 per cent. Attention has also to be drawn to the progress made by rationalisation in the mining undertakings. In 1928 the proportion of coal extracted with the help of machinery in the Ruhr basin was 88 per cent in all, as against 83 per cent in 1927 and only 67 per cent in 1926.

In conjunction with the degree of activity in the mines, unemployment, which in March 1929 reached its maximum of 3.3 per cent (of the total membership of the unions), has since steadily decreased and had fallen by August to 1.3 per cent. There has been a further slight increase in the average wage of the workers during the period under review, the rate having risen for skilled workers from an average of 121.1 pfennigs per hour in September 1928 to 123.9 pfennigs per hour in August 1929, and for unskilled workers from 75.5 to 77.1 pfennigs per hour.

The world consumption of coal, which fell somewhat in 1928, was marked by a general recovery in 1929. Production, however, tends to rise still more markedly, a circumstance which gives reason

to fear a world production crisis. It is for this reason that the economic committee of the League of Nations has thought fit on several occasions to examine the possibility of effectively remedying the present situation. A committee of experts with instructions to study the question, and to propose international measures expedient and possible of application in the coal trade, has already met recently in Geneva; but it encountered grave difficulties in reconciling the interests of the various coal-producing countries and particularly in obtaining agreement between producers and consumers.

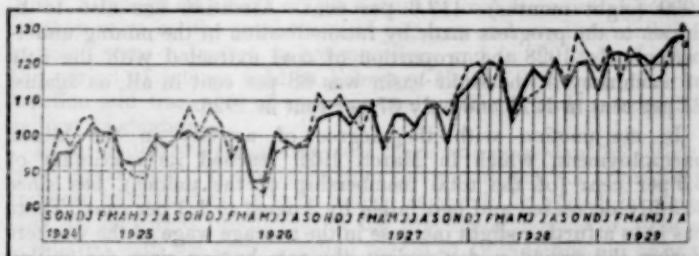
Germany retained her position on the international coal market almost without change in 1928. The German production represented 12.8 per cent of the world total and 25.9 per cent of the European output.

Lignite.

The index for the production of lignite, based on the monthly figures and making allowances for seasonal variations, reveals for the period under review a production exceeding that of the previous year. Starting from 114.5 in September 1928, the index went above 120 in October and November; after a decline in December which brought it down to its minimum of 114.1, it recovered appreciably during the first few months of 1929 and was practically stabilised between 122 and 124. It has since gone up still further to 127.7 in July and 128.5—the maximum for the twelve months August-September—in August. The monthly indices for 1928-29 have always been several points above the value of the 1927-28 indices. The comparative decline in the upward movement of the index in February and March 1929 is explained by the excessive severity of the season, making it difficult to operate the mines as these are mostly exposed to the open air.

The movement of the index is shown in *Diagram 2*; curve *a* represents the index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 2.



The production of lignite has risen steadily during the last few years. In 1928 it almost doubled the figure for 1913, while already in the first eight months of 1929 it has exceeded the output for the corresponding months of 1928 by about 6 per cent, the figure being 115.1 million tons as against 108.6 millions. The proportion of

increase as compared with 1913 is 198 per cent. The increase in the extraction of lignite may be summarized as follows (figures in millions of tons):

	Total	Monthly Average
1925	139.7	11.64
1926	139.1	11.59
1927	150.5	12.57
1928	166.3	13.85
1929 (eight months)	115.1	14.39

The German exportation of lignite is insignificant, as its transport over long distances is economically impossible; in 1928 exports did not reach the figure of 33 thousand tons. It is, however, necessary to add to the domestic production the quantities imported, to the amount of 2.8 million tons in 1928; these imports almost all come from Czecho-Slovakia for the reason that that country is so close to the centres of consumption. The crude lignite extracted in Germany and the lignite imported were consumed almost entirely by the various branches of industry which use it in large quantities, particularly the chemical and metallurgical industries and those producing building materials and electric power. It should be noted that this last branch consumes steadily increasing quantities of lignite. According to official statistics, for example, the power stations owned by public bodies in 1927 used 80 per cent of solid fuel, half of which was lignite, and only 20 per cent of hydraulic power.

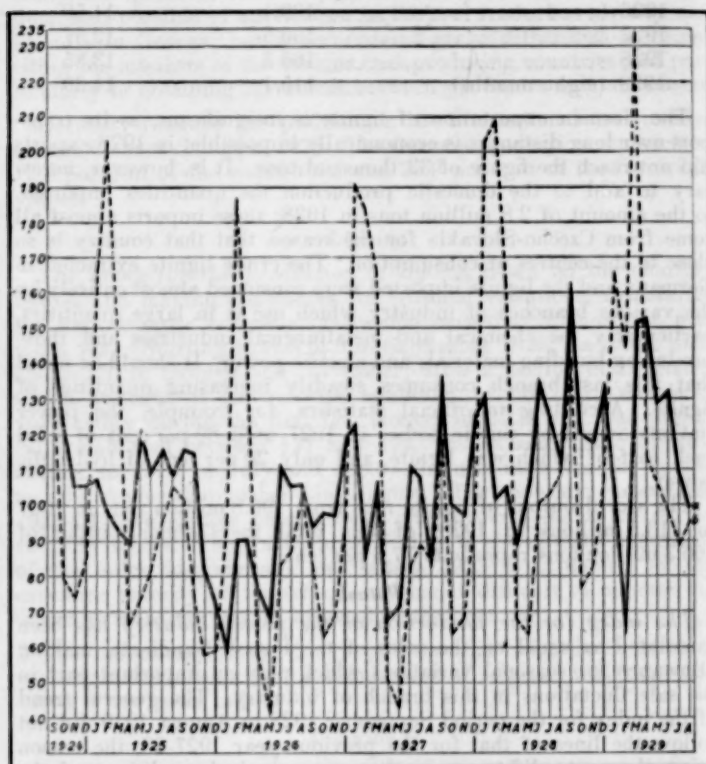
The world output of lignite rose from 196.8 million tons in 1927 to 213.5 millions in 1928: of this total the German output of 166.3 million tons represents 77.8 per cent.

Potash.

The index for the production of the potash industry has been calculated as usual on the sales of the Potash Syndicate, making allowance for seasonal variations which play an important part in the sale fluctuations in this branch of industry. The general trend of the index for the period September 1928 to August 1929 did not follow the lines of that for the previous year 1927-28, the reason being the great difference in the meteorological conditions of the two periods. In September 1928, as is almost always the case in this first month of the agricultural year, the index recovered considerably and rose from 114 in August to 162.8, a level much exceeding that of September 1927 when the index was only 136.9. During the last few months of 1928 the curve of the index was always above that of the previous year. It was not until January and February 1929 that it dropped heavily, falling in February to 71 only, the minimum for the whole period. This minimum, the lowest for some considerable time, is explained by the intense and abnormal cold which in February 1929 caused the suspension of all branches of German economic life, agricultural work being naturally the hardest hit. During the following quarter the curve recovered considerably and the index rose above that of the previous year. It was only from June onwards that it fell more heavily than usual during the summer months and arrived by successive stages at 100 for August 1929 as against 114 for August 1928.

The variations in the index are shown in *Diagram 3*; curve *a* represents the index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 3.



In the aggregate, however, the quantity of potash (expressed in pure K_2O) sold by the Syndicate during the period September 1928 to August 1929 exceeded that of the corresponding twelve months of 1927-28, the total being 1.42 million tons as against 1.36 millions. Taking the sales for the whole of 1928 as compared with those for 1927, the corresponding figures are 1.42 and 1.24 million tons respectively, representing an increase of 14 per cent. Of the quantities sold in 1928, 0.87 million tons or 61.2 per cent were supplied to consumers in Germany, while 0.55 million tons or 38.8 per cent were exported. In the first eight months of 1929 sales totalled rather more than a million tons and thus remained at almost exactly the level for the same period of 1928.

The development in the sales of potash during the last five years is indicated by the following figures (in thousand tons of K_2O):

	Total	Monthly Average
1925	1225.4	101.2
1926	1099.8	91.7
1927	1239.5	103.3
1928	1424.2	118.7
1929 (eight months)	1014.0	126.7

The increase in sales was considerable, particularly in regard to the quantities exported, which rose from 0.46 million tons in 1927 to 0.56 million in 1928 and represent almost 60 per cent of the total increase. This is no doubt explained by the favourable effects of the agreement concluded between French and German producers for the distribution of foreign markets.

The German potash industry is amalgamated into a single organisation created under the law of April 24, 1919—the German Potash Syndicate. The Syndicate has an absolute monopoly in the industry and is responsible for regulating production, domestic consumption and sales of crude potash and its products. Since its foundation the Syndicate has endeavoured energetically to apply extensive measures for the rationalisation of production in all successive stages and has even abolished a number of concerns which were not sufficiently productive. The report recently published by the Committee which is enquiring into the industrial situation (Enquête-Ausschuß) notes the happy results obtained by the rationalisation measures of the Syndicate. The number of affiliated undertakings rose from 205 in 1921 to 229 in 1928, whereas the number of potash exploitations was reduced during the same period from 155 to 60. The work of extraction was thus stopped in 95 undertakings, the result being to treble the output of each undertaking in 1928 as compared with 1913. The reduction was also applied to factories manufacturing potash salts, which were reduced in number from 75 in 1921 to 31 in 1928. In this way it has been possible to utilise 90 per cent of the industrial capacity of the undertakings as against 40 per cent in 1921. The groups of undertakings belonging to the Syndicate, which numbered 30 in 1921, now number only 9, one of which has almost completely ceased work. On several occasions closer concentration has been proposed, with the object of total fusion in a single trust, but up to the present the exchange of views on this subject has led to no definite results.

The rationalisation measures have favourably affected the financial results of the potash industry. Thus the proportion between production and the total for costs has changed as follows during the last three years (1926 = 100):

	1926	1927	1928
Production	100	116	131
Costs	100	84	78

It has already been explained that Germany, together with France, holds a world monopoly for the production of potash. This state of affairs naturally leads the Franco-German Syndicate to keep an eye on the possibility of competition on the world market such as would result, for example, from the discovery of extensive

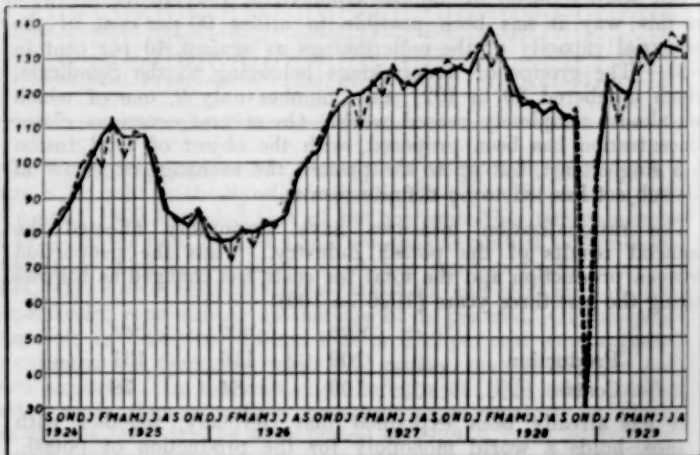
new deposits or of new chemical processes of production. With reference to these two possibilities mention may be made of the potash deposits recently discovered at Solikamsk in the Ural district, and the electro-chemical treatment of leucite in Italy for the extraction of potash and aluminium.

Pig-Iron.

The index for the production of pig-iron, based on the figures for the monthly output and making allowance for seasonal variations, shows the different stages traversed by the German iron industry during the period September 1928 to August 1929. During the summer months of 1928 there was already a tendency for the index to decline. The labour dispute in the Rhenish-Westphalian basin in November 1928, by bringing about a considerable fall in the volume of production, affected the level of the index which dropped suddenly from 112.6 in October to 30.5 in November. The fall continued through December but was succeeded by an appreciable recovery in January 1929, when the index rose to 124.3. After a decline in February-March, the demand became active again in April: the index thus rose to 133.7 as against 120 in March and in June reached the maximum of 134.3 for the period under review at a time when production usually begins to decline. Since then the index has fallen slowly but has remained above the level for the previous year, thus revealing satisfactory activity in this branch of industry.

Diagram 4 reproduces the movements of the index; curve *a* represents the index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 4.



The production of pig-iron in Germany since 1925 is indicated by the following figures (in thousand tons):

	Total	Monthly Average
1925	10,089	840
1926	9,636	803
1927	13,103	1,093
1928	11,804	984
1929 (eight months)	8,940	1,117

The monthly average for the first eight months of 1929 is the highest ever recorded in Germany since the war. Production may have been stimulated to some extent by the increased exports of pig-iron, which totalled 256,553 tons during the period January to August 1929, as against 149,782 tons in the corresponding period of 1928. In the case of pig-iron, however, foreign trade is of secondary importance only; and the progress noted in the figures for production, particularly during recent months, has thus to be attributed to a resumption of industrial activity in Germany.

This favourable situation also finds expression, as is natural, in the statistics relating to the work of blast furnaces. The effective utilisation of the furnaces, which during November 1928 fell as low as 16.5 per cent as compared with the total capacity, was fairly high in 1929, being always in the neighbourhood of 73 per cent. The maximum for effective production per 24 working hours was reached in July 1929 with an average of 38,823 tons, a figure which represents an absolute record. These results are the more remarkable if it is remembered that the number of blast furnaces working is decreasing appreciably: from the figure of 203 in 1913 there was a reduction to 103 in July 1929. These figures help to show how far the efforts towards industrial rationalisation have been crowned with success from the technical point of view.

Annex VI gives statistics for the number and utilisation of blast furnaces since September 1924.

In 1928 the production of pig-iron in Germany represented 26.5 per cent of the production in Europe and 13.5 per cent of the world output.

Steel.

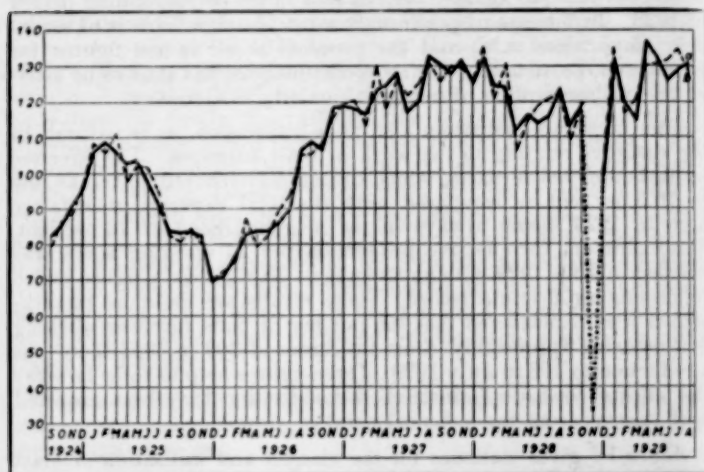
The index for the production of crude steel, based on the figures for the monthly output and making allowance for seasonal variations, followed as a whole the same trend as the index for pig-iron. Whereas, however, the latter, as already pointed out, showed a tendency to fall between June and August 1929, the index for steel continued its upward movement during these three months. It may be noted that the production of steel shows a higher proportionate increase than that of pig-iron. This is explained in part by the growing use of metal waste as a raw material for the preparation of steel, while on the other hand the fact that exports remain at a satisfactory level can certainly not fail to have a favourable influence on the production of steel.

As in the case of pig-iron, the index reached its minimum in November 1928 as a result of the suspension of work in the Ruhr; it then fell as low as 33.8. In December the effects of the dispute

were not yet overcome and the index only rose to 100. After an appreciable recovery in January 1929 and a decline in the two succeeding months as the result of circumstances to which reference has already been made, it rose in April to 137.2, thus reaching its maximum two months before that of pig-iron. Between June and August there was a comparatively steady rise from 126.6 to 131.1.

Diagram 5 gives the movements of the index for the production of steel; curve *a* represents the index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 5.



The development of the production of crude steel in Germany is indicated below (figures in thousand tons):

	Total	Monthly Average
1925	12,051	1,004
1926	12,226	1,019
1927	16,267	1,356
1928	14,517	1,210
1929 (eight months)	11,190	1,399

The total production of steel in Germany failed to reach the 1927 level in 1928; it even remained appreciably below that level, the figure being only 14.5 million tons as against 16.3 millions. Production increased, however, in 1929: between January and August of this year it was 11.19 million tons, as against 10.56 millions in the corresponding period of 1928. It was in June 1929 that the maximum daily output was realised with an average of 57,226 tons, a figure never before attained since 1913.

In 1928 Germany's share in the European output of crude steel was 28 per cent; her share in the world output was 13.4 per cent.

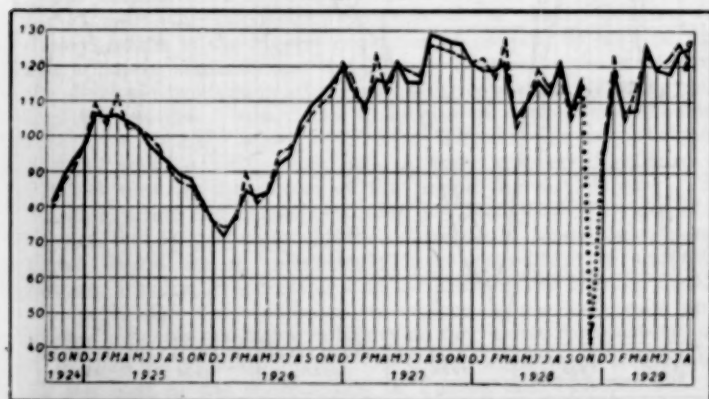
Rolled-Products.

The index for the production of rolled products, based on the figures for the monthly output and leaving seasonal variations out of account, developed on lines similar to those of the index for the production of steel. From this it may be concluded that production was influenced by the same factors and primarily by foreign trade activity. In the total exports of iron and steel semi-finished and finished goods undoubtedly come before crude products. This explains the high level for the production of rolled products in 1929 and the fact that the volume of production was considerable even during the summer months, although the degree of activity in the industries consuming the products in question was not always satisfactory. Exports of iron and steel products exceeded imports by 2,642,000 tons in the first eight months of 1929, with a monthly average of 330 thousand tons, as against average monthly figures of 219 thousand tons in 1928 and 137 thousand in 1927.

The index for the production of rolled products, like those for pig-iron and steel, reached its minimum in November-December 1928, the figures being 42.3 and 96.1 respectively. After rising in January 1929 the index again fell in February-March; it then recovered appreciably in April when it reached its maximum of 126.8, this being the month in which the crude steel index also reached its highest point. The considerable increase in production points to the resumption of industrial activity, destined in part to make good the depression recorded for the previous months as the result of circumstances to which reference has already been made. The index declined somewhat in May, but recovered again from June onwards and displayed an upward tendency in subsequent months. It thus rose from 118.6 in June to 125.3 in August 1929.

Diagram 6 shows the movements of the index for the production of rolled products; curve *a* represents the index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 6.



The total output of rolled products in the course of the last five years is shown by the following figures (in thousand tons):

	Total	Monthly Average
1925	10,246	853
1926	10,276	856
1927	12,864	1,072
1928	11,563	963
1929 (eight months)	8,538	1,067

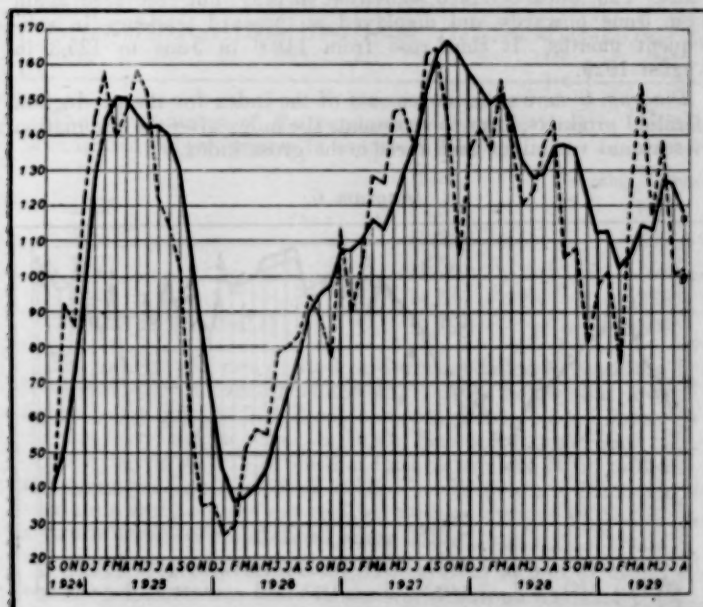
The monthly average for 1929 thus exceeds that of the previous year and falls very little short of that for 1927.

On the international market for iron goods Germany has lost the position of principal exporter which she held before the war. In the case of semi-finished or finished goods of the metallurgical and machinery industries, however, she has succeeded in regaining a good part of the ground lost, so that the excess of her exports over her imports is constantly increasing.

Copper.

The index for the consumption of crude copper has been calculated from statistics relating to the foreign trade in copper and copper alloy. The figures obtained have been averaged over a period of four months, with the result that the extent of the fluctuations in the curve has been lessened.

Diagram 7.



The index reached its maximum at the beginning of the period under review, in September-October 1928, with 137 and 136.3 respectively; it then dropped fairly rapidly until March 1929. It is possible that this development of the index was influenced by the movement of copper prices on the world market. About the middle of 1928 there were signs of a rise which continued without interruption during subsequent months and attained its highest point in March 1929. It is probable that purchasers wished to cover themselves by forcing purchases through at the beginning of the movement, and that they reduced their requirements to a minimum when prices rose by successive stages to their highest level. After a certain recovery in April-May, the index again rose and stood at 128.2 in June; it has since declined once more and was 118.3 only in August.

The movements of the index are given in *Diagram 7*, where curve *a* represents the averaged index after the elimination of seasonal variations and curve *b* the gross index (net imports for the month in relation to the arithmetic mean).

Taken together, the net imports of crude copper between September 1928 and August 1929 were less than those for the corresponding period of the previous year, the total being only 228,702 tons as against 288,271 tons. The drop is equally marked if we consider the first eight months of 1929, during which the average for net imports was about 20,000 tons as against 21,680 tons in 1928.

During the last five years the net imports of crude copper and copper alloy into Germany were as follows (figures in tons):

	Total	Monthly Average
1925	238,898	19,908
1926	145,942	12,161
1927	278,773	23,231
1928	260,165	21,680
1929 (8 months)	159,997	20,000

The decline in net imports may seem surprising if we remember, for example, the satisfactory progress of the electro-technical industry, which is the biggest consumer of copper. It may be that this apparent contradiction is explained in part by the increase in the domestic production of metallurgical copper in Germany during the last few years. The quantities of copper ore imported rose from 142,380 tons in 1926 to 258,888 tons in 1927 and 364,249 tons in 1928; they have already reached the figure of 326,993 tons in the course of the period January-August 1929. Further, it must be remembered that the "secondary" production of copper, that is, production by the utilisation of waste and of scrap metal, represents an increasingly large proportion of the total output. Finally, it is possible that the growing use of other metals, and particularly of aluminium, to replace copper in certain branches of industry, has some influence on the figures for consumption.

In 1928 the consumption of crude copper in Germany represented 30 per cent of the consumption in Europe and 14.5 per cent of the world consumption. Germany still comes first in Europe as a

consumer; it may nevertheless be noted that in 1927-28 she barely reached the pre-war level, whereas almost all other industrial countries considerably exceeded that level.

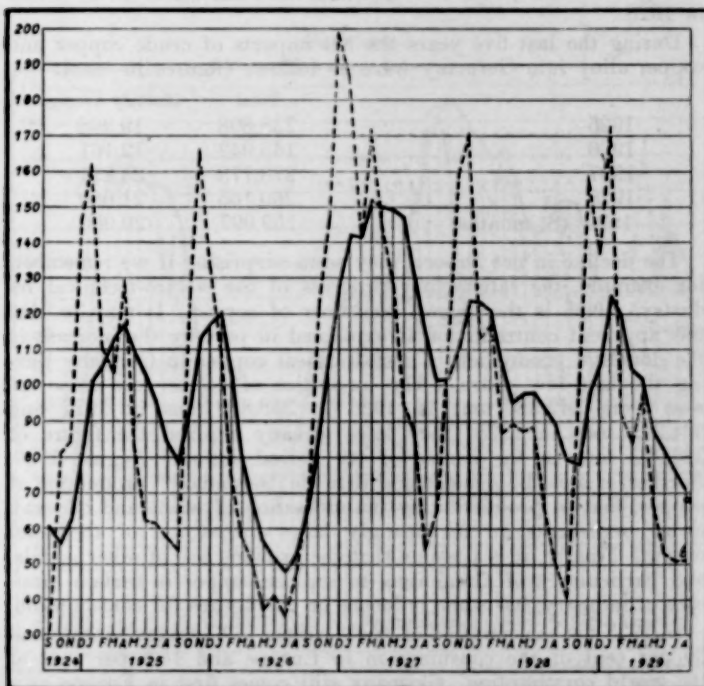
Textiles.

In order to follow the line of development in the textile industry, recourse has been had, as usual, to statistics showing the net imports of cotton and wool, which give a fairly reliable indication of the volume of consumption for these raw materials and consequently of the situation in this branch of industry. Other textile products, with the possible exception of artificial silk, are of much less importance; and in any case it is impossible to procure for them statistics which are reliable and sufficiently complete to allow of the elaboration of a monthly index.

A. Cotton.

The index for the consumption of the cotton industry, based on the figures for net imports with allowance made for seasonal variations, and averaged over a period of four months, was on the whole lower during the period under consideration than during the previous 12 months. Starting with 79.9 in September 1928, it rose

Diagram 8.



slightly towards the end of the year and in January 1929, when it reached its maximum of 125.7. This movement is normal, since it is just in this period that the factories buy in raw materials to cover their requirements for the coming season. Imports then begin steadily to decline. Since the beginning of 1929, indeed, there has been a continual downward movement which extended without any recovery until August, when the index reached its lowest level of 71.2 (as against 89.9 in August 1928).

Having regard to the progressive fall in the quantities of raw material imported, the situation in the various branches of the industry manufacturing cotton is not satisfactory. Thus the degree of total employment—expressed as a percentage of the membership of the workers unions—the monthly average for which was 93.4 per cent in 1927, fell to 67.6 per cent in 1928 and to an average of 54.8 per cent during the period January-August 1929.

The movements of the index are reproduced in *Diagram 8*, where curve *a* represents the averaged index after the elimination of seasonal variations and curve *b* the gross index.

Net imports of raw cotton in the course of the last five years are represented by the following figures (in tons).

	Total	Monthly Average
1925	367,715	30,643
1926	291,820	24,318
1927	446,776	37,231
1928	335,533	27,961
1929 (eight months)	197,016	24,627

The monthly average for imports thus indicates in 1928 a drop of 24.8 per cent as compared with 1927 and in 1929 a further decline of 11.9 per cent.

B. Wool.

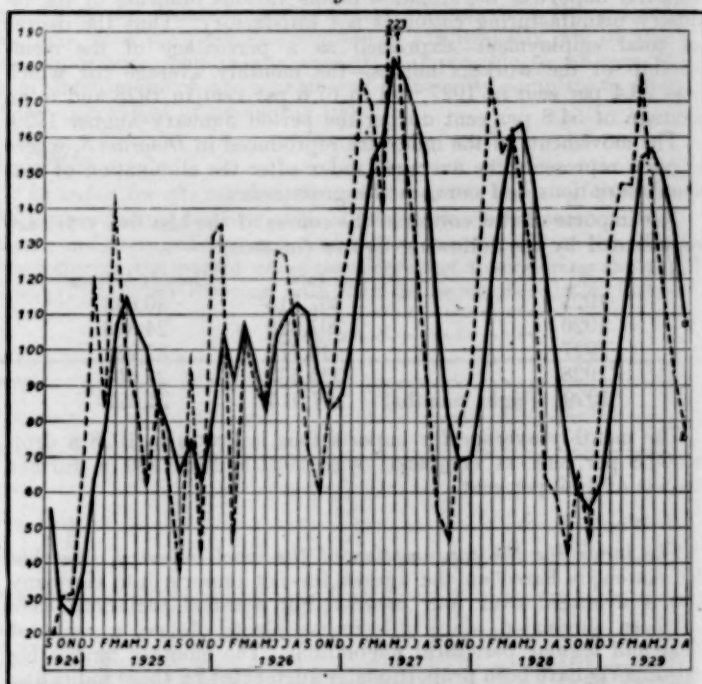
The index for the consumption of the wool industry, like that for cotton, is based on the figures for net imports into Germany and is averaged over four months; but seasonal variations have not been eliminated, since it is impossible to observe a series of clear and regular periodical fluctuations. The monthly figures for net imports have been proportionally augmented by those indicating home production, which, however, is not important and tends to decline from year to year with the progressive fall in the number of sheep bred in Germany. The annual census indicates that the number of sheep owned by sheep-breeders fell from 4.08 millions in 1926 to 3.82 millions in 1927 and 3.62 millions in 1928. There are no German statistics on the production of wool. The most recent estimates, those of the international statistical year-book of Geneva give Germany for 1927 a total production of 17,700 tons, which means that about 86 per cent of the raw materials of industry come from abroad.

The index for the consumption of wool, which was already on the decline in August 1928, continued to fall during the first few months of the period September 1928 to August 1929. After dropping from 74.1 in September to 60.1 in October, it reached in November the minimum for the whole period under considera-

tion (55.8); it had not fallen so low since 1924. The index then remained fairly low, although in March 1929 it rose to 131.2 and in May advanced still further to its maximum (157.2). It then declined somewhat, while remaining above the level for the corresponding months of the previous year, and in August it stood at 109.2 as against 99.3 in August 1928.

The fluctuations of the index are reproduced in *Diagram 9*; curve *a* represents the averaged index and curve *b* the gross index.

Diagram 9.



The development of the index reveals some recovery in the consumption of wool and displays an increasing tendency towards improvement in this branch of industry. The improvement, it is true, is not yet clearly defined. The total imports for the first eight months of 1929 are only slightly above those of the corresponding period for 1928 (132,404 tons as against 130,984 tons), while the degree of employment—calculated as a percentage of the membership of the unions—is far from satisfactory, the average for January to August 1929 being only 73.4 per cent as against 77.2 per cent in 1928 and 92.2 per cent in 1927. Nevertheless, the monthly average for imports of raw wool reached in 1929 the figure of 16,550 tons, as against 13,259 tons only in 1928.

The development of raw wool imports during the last five years is indicated by the following figures (in tons):

	Total	Monthly Average
1925	126,737	10,561
1926	140,168	11,681
1927	182,108	15,176
1928	159,105	13,259
1929 (eight months)	132,404	16,550

It has already been observed that the index for the cotton industry reacted more strongly than that for wool to the depression which appeared in German economic life in the course of 1928 and lasted until the first few months of 1929. Its recovery was also more difficult, whereas the wool index has already benefited by the slight improvement on the market. Throughout the whole period the consumption of raw cotton and wool was profoundly affected by the restriction of the German home market as a result of the general rise in unemployment and the consequent fall in the purchasing power of large masses of consumers. Attempts were made to offset the inadequate capacity of the home market by increasing exports; but this succeeded to a limited extent only, owing on the one hand to keen competition from other producing countries and on the other hand to the relatively unimportant part played by foreign sales in the case of the German textile trade. At the present time there is some slight recovery in the wool industry, whereas the cotton trade as yet reveals no signs of improvement. It may be added that the crisis in the textile industry is not confined to Germany. It affects all fabric-producing countries, and is due to the development of plant in many countries which before the war were importers of finished goods, some of which have now themselves become exporters or have considerably augmented their exports.

During the period under consideration, the position was also unsatisfactory for other branches of the textile industry, all of which report an inadequate degree of employment (1). Production was only satisfactory, as regards quantity at least, in the case of artificial

(1) This statement is supported by the unemployment statistics. The proportion of unemployed in the textile industry has always been very high, as shown by the following figures (percentage of membership of workers' unions):

	Total unemployment	Partial unemployment
1928 September	8.2	29.1
October	7.3	28.2
November	7.4	26.1
December	7.8	25.1
1929 January	8.0	26.5
February	8.4	26.0
March	8.5	28.3
April	9.3	28.3
May	9.9	29.7
June	9.8	26.9
July	9.7	27.1
August	9.9	27.3

silk. The following indications may be given on this subject (approximate figures in millions of kilograms):

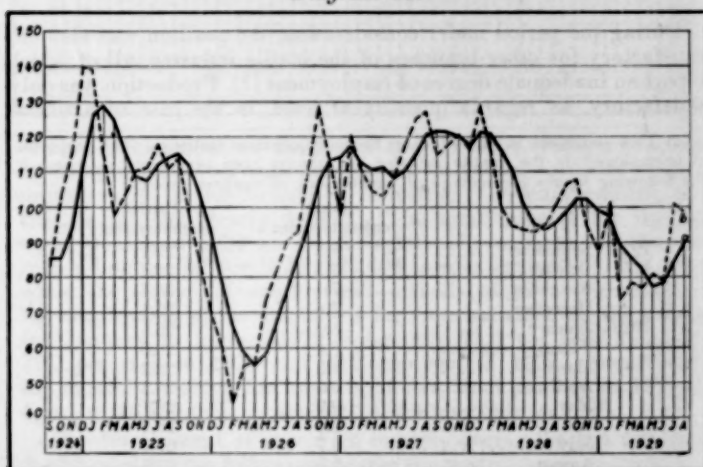
	Production	Imports	Exports
1927	18.2	9.8	3.9
1928	23.8	8.5	6.0

The quantities available for home consumption thus increased between 1927 and 1928; but consumption did not rise in proportion and at the end of 1928 fairly large stocks were in existence. During 1929, owing to successive reductions in sale prices, the situation has improved, while a considerable increase in the volume of exports has helped to dispose of existing stocks.

Leather.

The index for the production of leather, based on the figures for the apparent consumption of raw hides, has been averaged over periods of four months, but no seasonal variations have been eliminated since no regular rhythm is to be observed in the fluctuations. The index, which was very low in August 1928, rose somewhat during the last few months of the year, but its improvement was not of long duration. From December 1928 onwards however the curve declined steadily and fairly rapidly, reaching in May the minimum for the whole period under review (77.8). It was not until June that the index showed signs of recovery, which even then were not very marked. The decline in consumption is due more particularly to the considerable falling off in imports of raw hide. It may be observed that the minimum figure for imports was reached during April 1929 and thus exactly coincided with the lowest level for the index. In July-August 1929 on the other hand imports were only slightly below those for the corresponding months of 1928.

Diagram 10.



The variations of the index are shown in *Diagram 10*; curve *a* represents the averaged index and curve *b* the gross index.

The fluctuations in the apparent consumption of raw leather in Germany are indicated by the following figures (in tons):

	Total	Monthly Average
1925	257,969	21,497
1926	205,654	17,138
1927	279,036	23,253
1928	243,035	20,253
1929 (8 months)	137,643	17,205

This decline in the consumption of raw leather is the natural consequence of the reduced activity in the various branches of industry which manufacture leather, particularly as a result of the inadequate demand on the home market, which could only be compensated in part by the stimulation of exports. The manufacture of boots and shoes in particular has suffered seriously from foreign competition, and mainly from cheap goods imported from Czecho-Slovakia. It is only in the last few months that the position has tended to improve: the exportation of leather goods has been to some extent increased and imports of boots and shoes have fallen considerably.

The reduction in the consumption of raw materials and the decline in the activities of the leather industry naturally had an unfavourable effect on the labour market for this branch. Unemployment remained at a very high level throughout the whole of the period under review and much exceeded the figures for the previous year. Against an average of 8.9 per cent during 1927—calculated from the membership of the workers' unions—it rose to 14.5 per cent in 1928 and went as high as 20.2 per cent during the period January–August 1929. In the boot and shoe industry the average percentages of workers for whom no employment could be found were 12.3 per cent in 1927, 26.4 per cent in 1928 and 29.2 per cent in 1929. The recent improvement in the situation has however found expression in an increase in the number of workers employed: whereas in February 1929 the percentages for total and partial unemployment were 15.3 and 31.4 respectively, in August 1929 they were reduced to 14.7 and 14.0 per cent.(1)

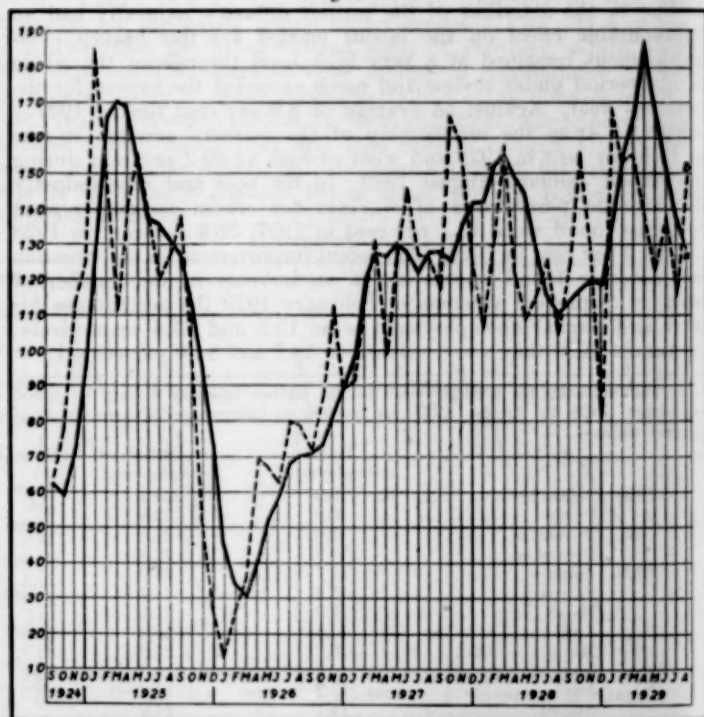
(1) The statistics for unemployment in the leather industry during the period September 1928 to August 1929 are as follows (percentage of membership of workers' unions):

	Total unemployment	Partial unemployment
1928 September	10.5	24.4
October	10.6	23.5
November	12.0	28.6
December	13.2	22.8
1929 January	13.7	28.0
February	15.3	31.4
March	15.9	27.1
April	14.1	20.0
May	16.3	21.6
June	16.3	18.0
July	15.2	14.8
August	14.7	14.0

Rubber.

The index for the consumption of raw rubber is based on the net monthly imports averaged over a period of four months, making allowance for seasonal variations. The information thus obtained may be taken as approximating closely to the real facts, since most of the raw materials worked in Germany are imported, while regenerated rubber—contrary to the practice in the United States—is only of secondary importance in the total consumption. From September 1928 onwards the index was fairly low and was below that for the end of 1927. This drop in imports may be explained by the fact that the restrictions imposed on the exportation of raw rubber from the British colonies were expected to end in November 1928, and buyers believed that this would bring about a fall in prices. It was however found that the quantities available were not as high as was expected, which led at the beginning of 1929 to a rise rather than a fall in the growers' prices. Consumers whose stocks were exhausted were nevertheless obliged to cover their requirements, the result being a marked increase in imports. The index, which started from a minimum of 114.2 in September 1928, showed no appreciable change until December. It rose in January 1929 to 136.9 and then continued to ascend until in April 1929 it

Diagram 11.



reached its maximum of 187.8, representing a record since 1924. The curve declined in the ensuing months, but remained steadily above the level for the previous year. The final figure was 128.9 in August 1929, as against 111 in August 1928.

The index for the consumption of raw rubber is given as *Diagram 11*, where curve *a* represents the averaged index after the elimination of seasonal variations, and curve *b* the gross index.

The importation of raw rubber into Germany during the last five years has developed as indicated by the following figures (in tons):

	Total	Monthly Average
1925	43,587	3,632
1926	23,948	1,995
1927	45,067	3,755
1928	44,142	3,678
1929 (8 months)	35,755	4,469

The quantity imported in 1928 was thus very little below the figure for 1927, while in 1929 imports exceeded those of the previous two years by about 19 per cent and 21.5 per cent respectively.

The increase in the consumption of raw rubber is no doubt primarily due to the expansion of the tyre industry as a result of the growing number of automobiles in circulation. The official statistics on motor vehicles existing in Germany on July 1 of each year are as follows:

	Motor bicycles	Automobiles	Lorries	Total
1925 ...	161,508	175,665	80,363	417,536
1926 ...	236,411	206,487	90,029	532,927
1927 ...	339,226	267,774	100,969	707,969
1928 ...	438,288	351,380	121,765	911,433
1929 ...	608,342	433,205	143,952	1,185,499

In 1928 Germany was third on the world market among the countries consuming rubber. She participated in the total consumption to the amount of 5.6 per cent, the participation of the United States being 65 per cent and that of Great Britain 7 per cent.

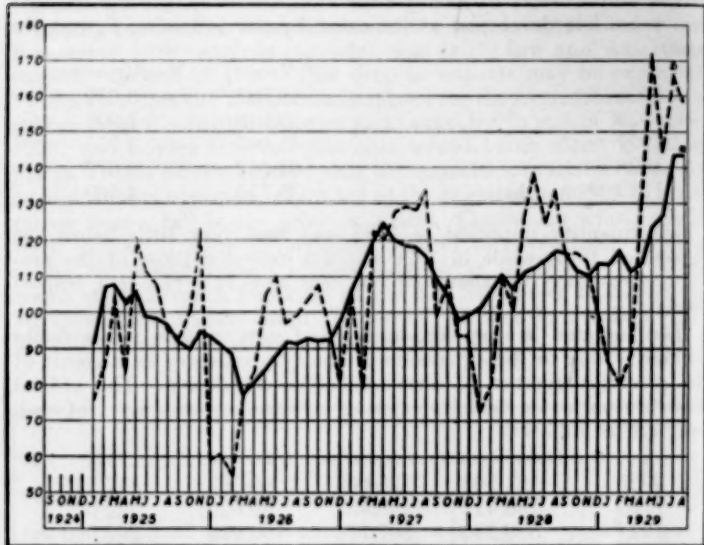
Building Industry.

The index of the building industry is based on the number of building permits issued in 38 cities of Germany with more than 100,000 inhabitants. Seasonal variations have been eliminated and the index has been averaged over four months. In the course of the period September 1928 to August 1929 the index generally remained above the level for the previous year. It revealed the decline normally observed in the last few months of the year and fell to the minimum for the period under review in November, the figure for which was 110.8. It remained fairly low at the beginning of 1929, but rose steadily from March onwards, with a rapid upward movement to 114.3 in April, 124.4 in May and 144.2 in July and August, the maximum for the last twelve months. The considerable activity in the building trade between April and

August was partly the result of the long suspension of work in the first quarter of the year owing to the exceptional severity of the weather.

Diagram 12 shows the movements of the index of the building industry; curve *a* represents the averaged index after the elimination of seasonal variations and curve *b* the gross index.

Diagram 12.



The degree of activity in the building industry was on the whole satisfactory, although not all the building permits could be utilised, so that the number of buildings completed fell short of that for the previous year. One of the main difficulties encountered in the construction of new buildings, in spite of the urgent need for dwelling houses in most German towns, was still that of procuring the necessary capital. The information collected by the Institut für Konjunkturforschung in regard to the volume of mortgage loans granted on new buildings between January and September 1929, as compared with the figures for previous years, shows that in 1929 the loans in question fell short of those for 1928 by about 20 per cent. The figures supplied certainly do not represent the whole of the funds available for the financing of new constructions: but they do clearly show the main reason for the restriction in the activities of the building industry.

In the case of labour, it should however be noted that the very low average (65 per cent) of occupation recorded during the first half of 1929 as compared with the corresponding period of 1928 is mainly due to the almost complete cessation of constructional work at the beginning of the year. From April onwards the degree of employment improved considerably and reached a maximum of 90.3 per cent in July 1929. In August it was still 88.9 per cent.

Between 1925 and 1929, the monthly average of building permits issued in the 38 cities here under consideration rose from 2,046 in 1925 to 2,729 in 1929.

General Index.

The *twelve simple indices*, based as explained above on the production or consumption of raw materials, have been combined to form a *general index for industrial production* designed to show the trend followed by a considerable part of German industry. The simple indices are those enumerated below:

- Production of coal* for the coal mining industry;
- Production of lignite* for the lignite industry;
- Production (sales) of potash* for the potash industry;
- Production of pig-iron* for the pig-iron industry;
- Production of crude steel* for the steel industry;
- Production of rolled products and Consumption of copper* for the machinery industry;
- Apparent consumption of raw cotton* for the cotton industry;
- Apparent consumption of raw wool* for the wool industry;
- Apparent consumption of raw hides* for the leather industry;
- Apparent consumption of raw rubber* for the rubber industry;
- Building permits issued* for the building industry.

It was not possible to calculate a larger number of simple indices of production, in the absence of statistics for other branches of industry; among such branches mention may be made of the chemical and electro-technical industries, whose figures of production are very large and so might influence the general index favourably.

The simple indices enumerated above have been weighted, as before, by the application to each one of them of a coefficient in proportion to the importance of each branch. The coefficients adopted express on the one hand the number of persons employed in each industry and on the other hand the horse-power utilised. The coefficients are still those resulting from the occupational census of June 16, 1925, no new publication having appeared since that date which would make it possible to correct the previous figures. The table of coefficients or "weights" is reproduced below:

Industries	Workers employed	Horse power utilised	Weights	
			on a basis of per- sonnel em- ployed	on a basis of power utilised
Coal.....	564,491	2,688,804	565	2,700
Lignite.....	104,446	651,743	105	650
Potash.....	17,968	141,095	20	140
Pig-iron.....	24,111	223,069	25	225
Steel.....	206,061	1,906,409	205	1,905
Machinery:				
a) Iron and steel constructions	1,732,698	2,576,603	1,735	2,575
b) Copper constructions	339,970	278,006	340	280
Cotton.....	883,606	690,546	885	690
Wool.....	598,632	334,568	600	335
Leather.....	524,630	192,863	525	195
Rubber.....	64,005	92,680	65	95
Building.....	1,433,734	441,304	1,435	440

The figures of the general index, weighted according to these two series of data, give the fluctuations in industrial production for each month of the period September 1, 1928, to August 31, 1929. The figures are combined in the following table, which for purposes of comparison also gives the general monthly indices for the whole period from September 1924 onwards.

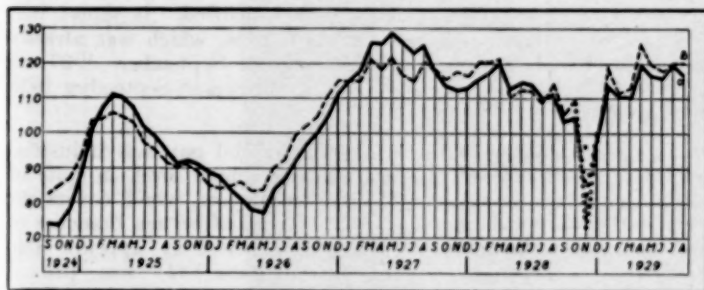
	Month	On a basis of personnel	On a basis of motive power
1924	September (1).....	74.4	82.7
	October (1).....	74.1	85.0
	November (1).....	78.3	87.0
	December (1).....	89.2	93.5
1925	January.....	101.7	103.9
	February.....	107.7	104.3
	March.....	111.7	105.9
	April.....	110.7	104.8
	May.....	107.7	103.1
	June.....	102.0	97.3
	July.....	99.4	95.5
	August.....	95.7	92.1
	September.....	91.9	90.7
	October.....	92.7	91.5
	November.....	91.3	89.1
	December.....	89.2	85.3
1926	January.....	87.9	84.4
	February.....	84.1	85.0
	March.....	81.5	86.4
	April.....	78.4	83.8
	May.....	77.8	84.0
	June.....	84.5	90.5
	July.....	87.3	92.5
	August.....	92.8	99.6
	September.....	97.1	102.1
	October.....	100.5	104.9
	November.....	105.4	111.2
	December.....	112.1	115.7
1927	January.....	115.7	115.3
	February.....	118.4	115.2
	March.....	126.3	121.9
	April.....	126.3	118.8
	May.....	129.3	122.4
	June.....	126.5	117.1
	July.....	123.6	115.4
	August.....	125.9	122.1
	September.....	118.6	118.8
	October.....	114.2	116.0
	November.....	113.1	118.2
	December.....	113.4	117.2
1928	January.....	116.1	120.8
	February.....	117.9	120.7
	March.....	121.0	121.7
	April.....	113.7	111.1
	May.....	115.3	113.1
	June.....	114.6	112.9
	July.....	110.6	109.6
	August.....	112.3	115.0
	September.....	104.0	106.0
	October.....	105.0	110.4
	November.....	82.9	73.4
	December.....	100.9	100.2

(1) Not including the building industry, for which no information is available for 1924.

Month	On a basis of personnel	On a basis of motive power
1929 January	114.7	119.7
February	111.2	112.1
March	110.8	113.4
April	120.4	126.8
May	117.2	120.2
June	116.6	118.9
July	120.1	120.4
August	117.2	120.5

Diagram 13, in which the indications of the above table are shown, gives two curves, one (curve *a*) representing the general index weighted according to the *workers employed* and the other (curve *b*) the general index weighted on a basis of *motive power utilised*.

Diagram 13.



The general indices present a very similar picture, whether they are weighted by one or the other of the series of coefficients. The curves descended fairly rapidly from September 1928 and reached their minimum in November, the month in which heavy industry was reduced to almost complete inactivity by the lock-out in the industrial district of the Ruhr. After rising at the beginning of the year, they again declined in February-March 1929, a fall which coincides with the suspension of activity owing to the exceptionally severe weather. After a very marked rise in April indicating vigorous recovery, the curves remained until July-August 1929 at a level somewhat above that for the corresponding period of 1928.

But, although the two general indices present a very similar picture, the general index weighted according to motive power is almost always higher than the general index weighted according to the number of workers employed. The reason may be that the figures for the production of the basic industries (coal, lignite, iron, steel and rolled products) were higher in 1929 than in previous years and that for just these industries the coefficients or "weights" expressing motive power are higher than those corresponding to the workers employed.

The curve of the general index fell below the 1927—28 level during the last few months of 1928 and the first quarter of 1929, whereas since April 1929 it has exceeded the level reached during the corresponding months of the previous period. But taken as a whole and on an average, the general index reveals for the period September 1928 to August 1929 a general decline in industrial activity. The figures for the employment of industrial labour in Germany also support this conclusion, although it is not possible to establish an exact connection between the industrial production considered in the present Report and the total for industrial unemployment. The figures of the table given below show the degree of unemployment during the period September 1924 to August 1929 (1).

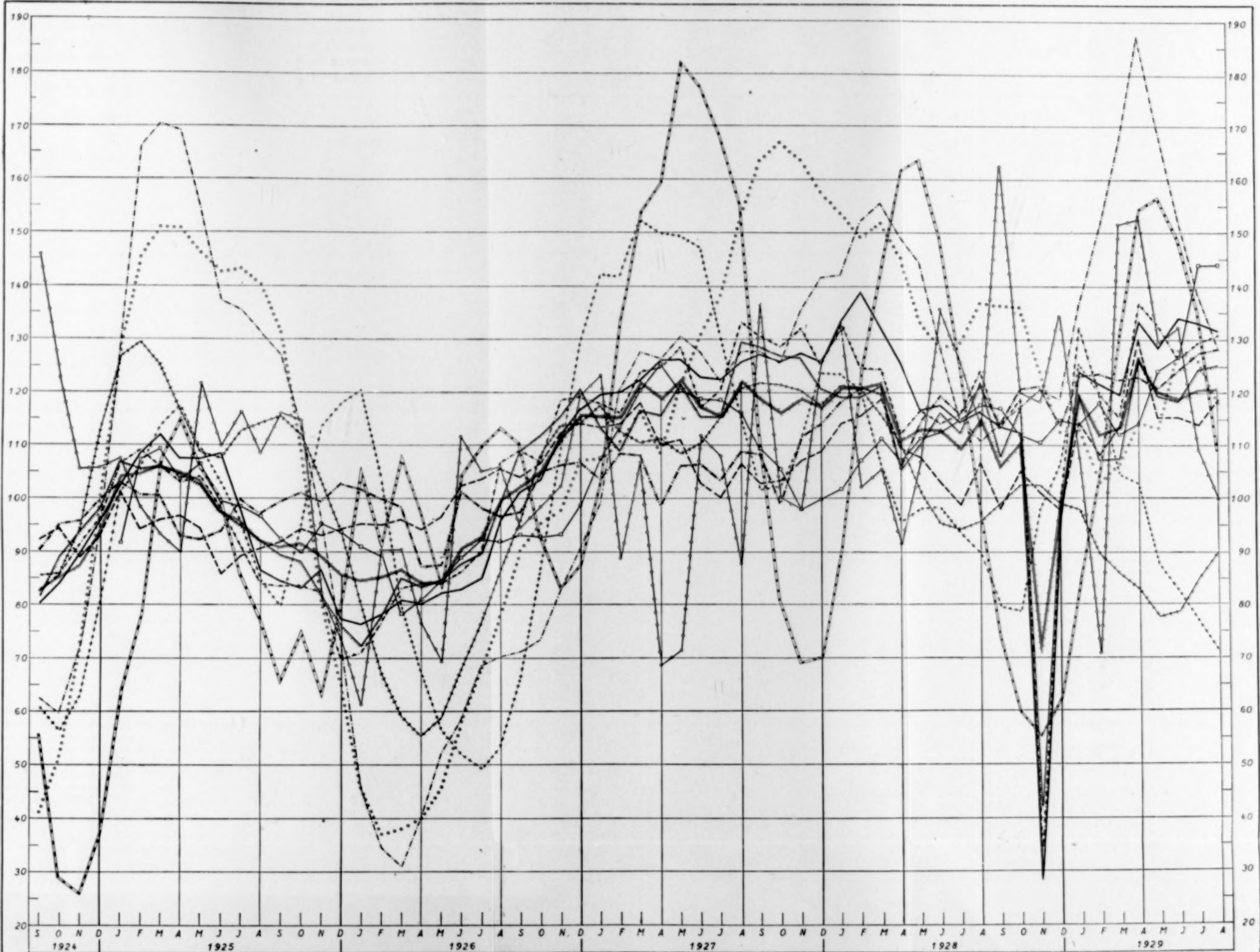
Diagram 14 combines, for the whole period September 1924 to August 1929, the twelve simple indices and the general index weighted according to the motive power utilised. It shows that the lack of uniformity in the various indices, which was already apparent in the course of the period September 1927 to August 1928, became more acute during the period September 1928 to August 1929.

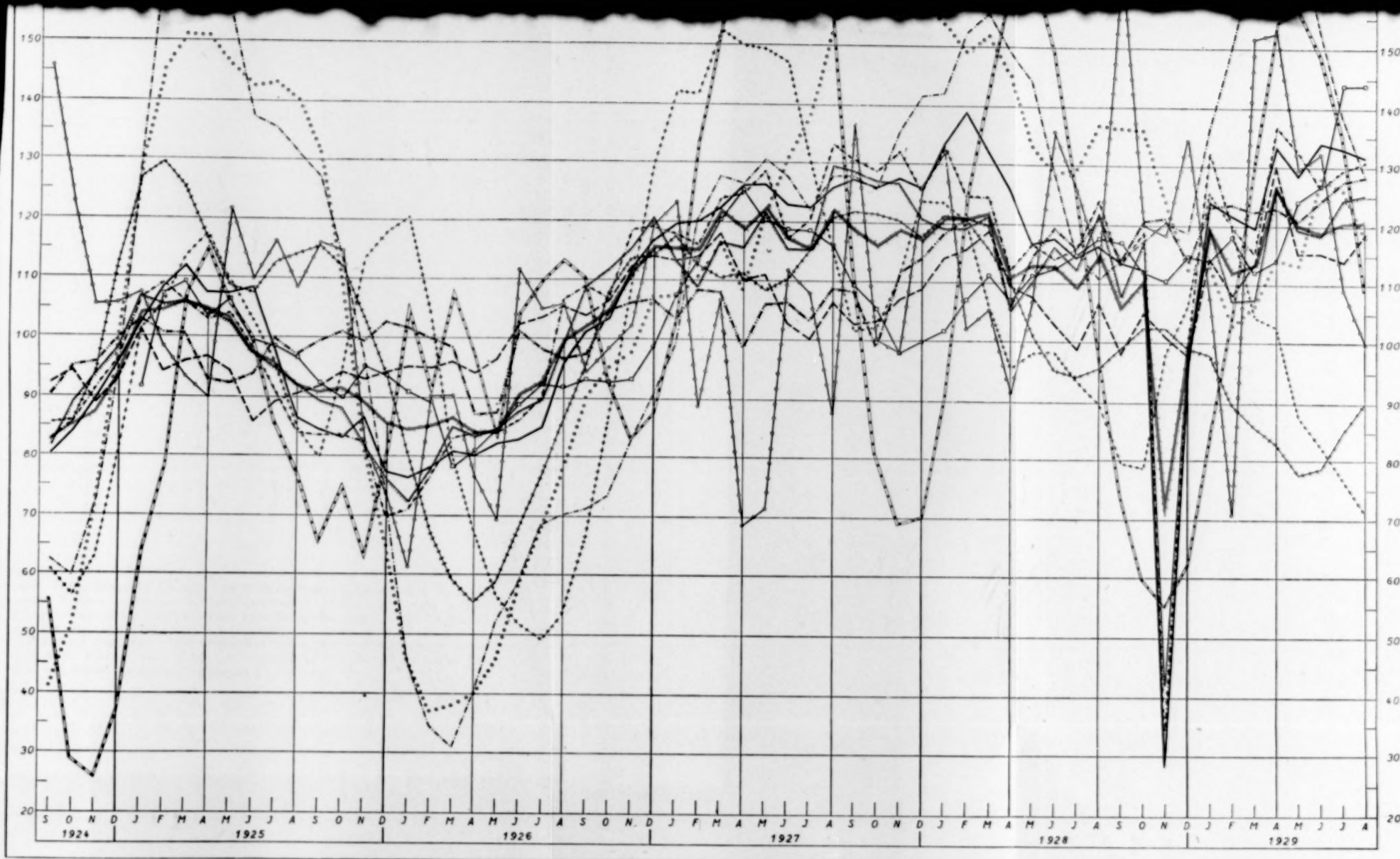
The previous Report for 1927—28 pointed out that industrial production had succeeded in maintaining a high level, in spite of certain signs of depression. The present Report, which covers the period 1928—29, points out that the vitality of certain branches of production (particularly the basic industries, as appears also from the information contained in *Annex VII*) has proved able to overcome the elements of weakness which have been apparent since August 1928. The extracting industries (coal, lignite and potash) have kept up their previous level of production, and the iron and steel industry has succeeded in facing the inactivity due to the lock-out of November 1928 and the difficulties caused by the extremely severe winter by more intense production since April 1929. Only the transforming industries, and among

(1) The figures for total and partial unemployment (partial unemployment being expressed in terms of total unemployment) calculated as a percentage of the membership of the trade unions and with allowance made for seasonal variations are as follows for the last five years:

	1924-25	1925-26	1926-27	1927-28	1928-29
September.....	18.1	7.5	22.0	6.0	9.5
October.....	13.4	10.3	19.8	5.8	10.3
November.....	10.3	17.3	18.5	9.0	12.6
December.....	7.6	20.2	14.8	10.8	14.7
January.....	6.9	22.2	13.5	9.0	15.9
February.....	7.2	24.4	14.3	9.5	20.6
March.....	7.4	29.8	13.2	10.5	19.9
April.....	5.7	26.0	10.3	8.3	13.4
May.....	4.8	24.7	7.9	7.7	11.1
June.....	4.8	24.6	7.3	7.9	10.5
July.....	5.2	24.3	6.5	8.7	10.9
August.....	6.3	23.3	6.2	9.0	11.2

Diagram 14.





<div>Extraction de houille Extraction of coal Steinkohlenförderung</div>	<div>Production de fonte Output of pig-iron Roheisengewinnung</div>	<div>Consommation de coton Consumption of cotton Verbrauch von Baumwolle</div>	<div>Consommation de caoutchouc Consumption of rubber Verbrauch von Kautschuk</div>
<div>Extraction de lignite Extraction of lignite Braunkohlenförderung</div>	<div>Production d'acier Output of steel Rohstahlgewinnung</div>	<div>Consommation de laine Consumption of wool Verbrauch von Wolle</div>	<div>Consommation de cuivre Consumption of copper Verbrauch von Kupfer</div>
<div>Production (ventes) de potasse Production (sales) of potash Kaliförderung (Absatz)</div>	<div>Production de laminés Output of rolled products Walzwerkserzeugnisse</div>	<div>Consommation de peaux Consumption of hides Verbrauch von Häute</div>	<div>Permis de construire Building licences Bauerlaubnisse</div>
<div>Indice général General Index Generalindex</div>			

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them the textile industry, have gone through an unfavourable period, with the result that the general index taken as a whole shows a slackening in the branches of production considered. This situation however does not affect the whole of German industry; its characteristics are merely those of a period of uneasiness due to certain factors at once economic and general in character which are not likely to be more than transitional.

Berlin, November 15, 1929.

B. NOGARA.

Note. — The Industrial Charges Law (Industriebelastungsgesetz) does not confer upon the Trustee for German Industrial Debentures the function or right to supervise the activity of the concerns which have issued debentures. The Trustee has not at his disposal special sources of information in regard to the activity of German industrial production. The information and figures contained in the present Report which relate to the position of German industry have been drawn from official and private publications appearing in Germany.

Annex I.

**Bankruptcies and Liquidations of concerns subject
to the Industrial Charge.**

Month	Number and nominal amount of individual debentures handed over by the concerns				Total of debentures	
	Bankruptcies		Liquidations		Number	Nominal amount G.M.
		G.M.		G.M.		
1928						
September . . .	4	202,000	43	1,430,000		
October	18	892,500	26	933,135		
November	4	64,500	12	448,000		
December	13	375,500	24	856,500		
	39	1,534,500	105	3,667,635	144	5,202,135
1929						
January	14	322,000	20	763,500		
February	28	764,000	34	1,341,500		
March	26	632,500	37	1,403,000		
April	20	1,045,500	31	1,034,500		
May	24	780,500	34	1,209,000		
June	12	592,500	30	2,519,500		
July	11	532,500	22	693,500		
August	31	1,103,500	35	2,368,500		
	166	5,773,000	243	11,333,000	409	17,106,000
	205	7,307,500	348	15,000,635	553	22,308,135

Statistics and Regulations of various subjects
to the Industrial Change

Year	Month	Production and consumption of various subjects		Regulations of various subjects	
		Production	Consumption	Regulations	Subjects
1900	January	1,000,000	1,000,000	1,000,000	1,000,000
	February	1,000,000	1,000,000	1,000,000	1,000,000
	March	1,000,000	1,000,000	1,000,000	1,000,000
	April	1,000,000	1,000,000	1,000,000	1,000,000
	May	1,000,000	1,000,000	1,000,000	1,000,000
	June	1,000,000	1,000,000	1,000,000	1,000,000
	July	1,000,000	1,000,000	1,000,000	1,000,000
	August	1,000,000	1,000,000	1,000,000	1,000,000
	September	1,000,000	1,000,000	1,000,000	1,000,000
	October	1,000,000	1,000,000	1,000,000	1,000,000
1901	January	1,000,000	1,000,000	1,000,000	1,000,000
	February	1,000,000	1,000,000	1,000,000	1,000,000
	March	1,000,000	1,000,000	1,000,000	1,000,000
	April	1,000,000	1,000,000	1,000,000	1,000,000
	May	1,000,000	1,000,000	1,000,000	1,000,000
	June	1,000,000	1,000,000	1,000,000	1,000,000
	July	1,000,000	1,000,000	1,000,000	1,000,000
	August	1,000,000	1,000,000	1,000,000	1,000,000
	September	1,000,000	1,000,000	1,000,000	1,000,000
	October	1,000,000	1,000,000	1,000,000	1,000,000
1902	January	1,000,000	1,000,000	1,000,000	1,000,000
	February	1,000,000	1,000,000	1,000,000	1,000,000
	March	1,000,000	1,000,000	1,000,000	1,000,000
	April	1,000,000	1,000,000	1,000,000	1,000,000
	May	1,000,000	1,000,000	1,000,000	1,000,000
	June	1,000,000	1,000,000	1,000,000	1,000,000
	July	1,000,000	1,000,000	1,000,000	1,000,000
	August	1,000,000	1,000,000	1,000,000	1,000,000
	September	1,000,000	1,000,000	1,000,000	1,000,000
	October	1,000,000	1,000,000	1,000,000	1,000,000
1903	January	1,000,000	1,000,000	1,000,000	1,000,000
	February	1,000,000	1,000,000	1,000,000	1,000,000
	March	1,000,000	1,000,000	1,000,000	1,000,000
	April	1,000,000	1,000,000	1,000,000	1,000,000
	May	1,000,000	1,000,000	1,000,000	1,000,000
	June	1,000,000	1,000,000	1,000,000	1,000,000
	July	1,000,000	1,000,000	1,000,000	1,000,000
	August	1,000,000	1,000,000	1,000,000	1,000,000
	September	1,000,000	1,000,000	1,000,000	1,000,000
	October	1,000,000	1,000,000	1,000,000	1,000,000

Annex II.

The Movement towards Concentration in German Industry.

(September 1, 1928—August 31, 1929.)

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The Movement towards Concentration in German Industry.

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
I. Building and Building Materials			
<i>A. Purchase of holdings or shares</i>			
January 1929	The Meissner Ofen- und Porzellan-Fabrik (vorm. C. Teichert) purchased a holding of about 75% in the Köln-Meissner Ofenfabrik Saxonia G. m. b. H.	Meissen	4,000,000
		Meissen	1,080,000
March 1929	The Schlesische Portlandzement-Industrie A. G. purchased shares of the Kalkwerk-Tschirnau A.-G.	Groschwitz	27,000,000
		Tschirnau	49,400
May 1929	The Wickingsche Portland-Cement- und Wasserkalkwerke A.-G. made an exchange of shares with the Portland-Zementwerke Höxter-Godelheim A.-G.	Münster i. W.	20,025,000
		Höxter	1,890,000
June 1929	The Süddeutsche Holzindustrie A.-G. purchased the majority of the shares of the following concerns: Wickingsche Industrie für Holz- und Baubedarf A.-G. Degginger & Hess A.-G.	Munich	—
		Düsseldorf	2,800,000
		Munich	750,000
August 1929	The Sächsisch-Thüringische Portland-Cement-Fabrik Prüssing & Co. K. G. a. A. purchased a parcel of shares of the "Adler" Deutsche Portland-Cement-Fabrik A. G.	Göschwitz a. S.	5,311,000
		Berlin	7,532,000
<i>B. Amalgamations</i> (No important transactions to be noted)			
<i>C. Formation of "Communities of Interests"</i>			
December 1928	Industriebau Held u. Franke A. G. Huta Hoch- und Tiefbau A. G.	Berlin Breslau	5,160,000 1,810,000
June 1929	Formation of the Westdeutsche Kalkverband G. m. b. H. with the participation of the following concerns: Rheinisch-Westfälische Kalkwerke A.-G. Westdeutsche Kalkwerke A.-G. Rheinische Kalksteinwerke G. m. b. H.	Dornap Dornap Cologne Wülfrath	— 15,000,000 3,015,000 500,000

Date	Concern	Registered office	Capital of each concern in <i>℞ℳ</i>
II. Food Stuffs Industry			
<i>A. Purchase of holdings or shares</i>			
February 1929	The Malzfabrik Niedersedlitz A.-G. purchased a parcel of shares of the Königs Malzfabrik A.-G.	Niersedlitz Dresden	1,500,000 200,000
March 1929	The Malzfabrik Langensalza und Wolff Söhne Erfurt A.-G. purchased the majority of the shares of the Eisenberg & Etgersleben A. G.	Langensalza Erfurt	2,005,000 1,680,000
June 1929	The Groupe Kampffmeyer ⁽¹⁾ purchased the majority of the shares of the Löhnberger Mühle A. G.	Niederlahnstein	1,121,000
June 1929	The Aktienbrauerei zum Löwenbräu purchased the Gräfllich Toerringsche Brauerei	Munich Seefeld	13,050,000 —
August 1929	The Deutsche A.-G. für Nestlé-Erzeugnisse purchased the majority of the shares of the Sarotti A.-G.	Linden Berlin	10,000,000 11,000,000
August 1929	The Groupe Kampffmeyer ⁽¹⁾ purchased the Handelsmühle Thiele & Buggisch	Waren	—
<i>B. Amalgamations</i>			
November 1928	Formation of the Vereinigte Konserven- und Süßwarenfabriken G. m. b. H. by the amalgamation of the following concerns: Peters & Rehmann Franz Raedler & Co. G. m. b.H. Erasmí & Co. Dr. Heinrich König & Co. F. Vorbeck	Lübeck Lübeck Lübeck Lübeck Lübeck	— — — — —
January 1929	The Hessische und Herkules-Bier-Brauerei purchased the Brauerei W. Wahler	Kassel Hannöversch-Münden	2,220,000 —
January 1929	The Dampfer-Hochseefischerei F. Busse purchased the majority of the shares of the Hochseefischerei A.-G.Trave	Wesermünde Lübeck	— 720,000
D) Grouping of interests of the milling industry.			

Date	Concern	Registered office	Capital of each concern in <i>ℳ</i>
January 1929	The Werger Brauerei A. G. changed its trading title to Eichbaum-Werger-Brauerei A.-G. augmented its capital and absorbed the Brauerei-Gesellschaft Eichbaum vorm. Hofmann	Worms	—
		Worms	6,507,500
		Mannheim	1,200,000
January 1929	The Bast A.-G. absorbed the Müller & Feder G. m. b. H. and purchased a holding in the Nord-Deutsche Hefeindustrie	Nuremberg	2,200,000
		Großsachsen	550,000
		Berlin	400,000
May 1929	The „Nordsee“ Deutsche Hochseefischerei Bremen-Cuxhaven A.-G. absorbed the Hochseefischerei-Bremerhaven	Hamburg	20,000,000
		Bremerhaven	2,000,000
June 1929	The Vereinigte Kunstmühlen Landshut A.-G. absorbed the Kunstmühlen Rosenheim and changed its trading title to the Vereinigte Kunstmühlen Landshut-Rosenheim A.-G.	Landshut	1,200,000
		Rosenheim	800,000
		Landshut	—
June 1929	The Kathrein's Malzkaffee-Fabriken G. m. b. H. absorbed the following concerns: Kathrein's Malzkaffee-Fabriken Sächsische Malzkaffee-Fabrik und Nahrungsmittelindustrie Carl Müller G. m. b. H. I. G. Weiß G. m. b. H. F. W. Wesenberg G. m. b. H. F. F. Resag A.-G. augmented its capital and changed its trading title to Kathreiner G. m. b. H.	Berlin	7,000,000
		Munich	125,000
		Berlin-Cöpenick	145,000
		Stettin	300,000
		Berlin	160,000
		Berlin	500,000
		Berlin	12,000,000
June 1929	Formation of the Vereinigte Badische Zichorienfabriken G. m. b. H. by the amalgamation of the following concerns: Daniel Völcker G. m. b. H. C. Trampler G. m. b. H.	Lahr	—
		Lahr	110,000
		Lahr	260,000
June 1929	The Zörbiger Zuckerfabrik G. m. b. H. absorbed the Zuckerfabrik zu Radegast	Zörbig	—
		Radegast	366,750
August 1929	The Hefftsche Kunstmühlen A.-G. absorbed the J. Syberberg A.-G.	Mannheim Cologne-Mülheim	2,000,000 1,200,000

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
<i>C. Formation of "Communities of Interests"</i>			
January 1929	Formation of the Vereinigte Marzipanfabriken A. G. C. L. Oetker & Konsorten with the participation of the following concerns: L. C. Oetker Lumada Lübecker Marzipan- und Back-Massenfabrik G. m. b. H. Lamke & Co. Mayer Backmassenfabrik G. m. b. H. Michelmann & Schlüter R. Martin	Berlin Altona Bad Schwartau Berlin Berlin Altona Berlin	1,000,000 — — — — — —
January 1929	Formation of the Interessengemeinschaft Schlesischer Mühlen A. G. with the participation of the Deutsche Mühlenvereinigung A. G. and of the most important mills of Silesia	Breslau Berlin —	300,000 10,000,000 —
May 1929	Formation of the Interessengemeinschaft Pommerscher Mühlen A. G. with the participation of the following concerns: Deutsche Mühlenvereinigung Akt. Ges. Pommersche Mühlen	Stettin Berlin —	50,000 10,000,000 —
III. Heavy Industry (Mines and Metallurgical)			
<i>A. Purchase of holdings or shares</i>			
December 1928	The Gußrohr- und Druckrohrsyndikat purchased the majority of the shares of the Eisenhüttenwerk Keula bei Muskau A. G.	— Keula	— 1,566,100
December 1928	The Eisen- und Stahlwerke Hoesch A. G. purchased the new shares (1,000,000 <i>ℛℳ</i>) of the Baroper Walzwerk A. G.	Dortmund Barop b. Dortmund	71,350,000 4,000,000
March 1929	The Gewerkschaft Heinrich purchased the factories of the Adler A. G. für Bergbau	Überruhr Essen	— 7,275,000
June 1929	The Sächsische Gußstahlwerke Döhlen A. G. augmented its capital to <i>ℛℳ</i> 8,800,000 and purchased the factories and plant of the Stahlwerk Pirna Gebr. Hunger	Dresden Pirna	7,000,000 —

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
<i>B. Amalgamations</i>			
January 1929	The Kaliwerk Krügershall A. G. augmented its capital and formed the Burbach-Kaliwerke A. G.	Halle a. S.	14,462,000
		Bahnhof Teutschenthal	125,000,000
	by absorbing the following concerns:		
	Kaliwerke Niedersachsen A. G.	Wathlingen	6,750,000
	Bergbau Akt. Ges. Wittekind	Volpriehausen (Hanover)	6,772,500
	Heldburg A. G. für Bergbau, bergbauliche und andere industrielle Erzeugnisse	Berlin	10,500,000
	Gewerkschaft Asse	Hanover	—
	Gewerkschaft Bernsdorf	—	—
	Gewerkschaft Carlshall	Volpriehausen	—
	Gewerkschaft Desdemona	—	—
	Gewerkschaft Friedrichroda I u. II	—	—
	Gewerkschaft Fürstenhall	—	—
	Gewerkschaft Hildesglück	Volpriehausen	—
	Gewerkschaft Hindenburg	Ausweiler	—
	Gewerkschaft Königshall	Hanover	—
	Gewerkschaft Oberhof	—	—
	Gewerkschaft Reinhardbrunn	—	—
	Gewerkschaft Rastenberg	—	—
March 1929	The Hüttenwerke C. Wilh. Kayser & Co. A. G. absorbed the Hüttenwerk Niederschöneweide A. G.	Berlin	2,100,000
	augmented its capital and changed its trading title to the Hüttenwerk C. Wilh. Kayser & Co. Niederschöneweide A. G.	Niederschöneweide	1,000,000
		Berlin	4,200,000
April 1929	The Eisen- und Stahlwerk Hoesch A.-G. absorbed the Gebr. Dörken A.-G.	Dortmund Gevelsberg	71,350,000 1,500,000
April 1929	The Gelsenkirchener Bergwerks A.-G. absorbed the Gewerkschaft Johann Deimelsberg	Gelsenkirchen Steele	263,000,000 —

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
May 1929	Formation of the Bonzel & Co. A.-G. Feinblechwalzwerk by the amalgamation of the following concerns: Bonzel & Co. G. m. b. H. S. J. Brucks's Wwe.	Heggen Olpe Weidenau	2,500,000 — —
July 1929	The Gelsenkirchener Bergwerks-A.-G. absorbed the Adler A.-G. für Bergbau	Gelsenkirchen Kupferdreh	263,000,000 7,275,000
<p align="center"><i>C. Formation of "Communities of Interests"</i> (No important transactions to be noted)</p>			
<p align="center">IV. Chemical Industry <i>A. Purchase of holdings or shares</i></p>			
October 1928	The Kali-Chemie A.-G. purchased the majority of the shares of the Arienheller Sprudel und Kohlensäure A.-G.	Berlin Arienheller	32,000,000 825,000
November 1928	The Kokswerke und Chemische Fabriken A.-G. purchased the majority of the shares of the Vereinigte Chemische Werke A.-G.	Berlin Charlottenburg	80,300,000 2,000,000
December 1928	The I. G. Farbenindustrie A.-G. purchased a parcel of shares of the Terra-Film A.-G.	Frankfurt a. M. Berlin	1,100,000,000 3,000,000
November 1928	The Sachtleben A.-G. für Bergbau und chemische Industrie purchased a parcel of shares of the Bergbau A.-G. "Bayernland"	Cologne Mitterteich	12,000,000 120,000
February 1929	The Kali-Chemie A.-G. purchased the majority of the shares of the Peroxydwerk-Siesel A.-G.	Berlin Cologne	32,000,000 500,000
February 1929	Formation of the Springer & Möller A.-G. with the participation of the following concerns, which brought their factories for dyestuffs into the new concern: Lack- und Farbenwerke Springer & Möller Brandiser Farbenfabrik, vorm. Bernhard Zimmermann & Co.	Leipzig Leipzig-Leutzach Brandis	4,000,000 — —

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
<i>B. Amalgamations</i>			
November 1928	The Kali-Chemie Akt.-Ges. absorbed the Rhenania-Kunheim Verein Chemischer Fabriken A. G.	Berlin	32,000,000
		Berlin	10,540,000
December 1928	The Sprengstoff-Verkaufs G. m. b. H. absorbed the Bergische Sprengstoff- und Zünderwerke A.-G.	Cologne	—
		Cologne	100,000
January 1929	Formation of the Hauff-Leonar-Werke A.-G. by the amalgamation of the following concerns: Leonar-Werke Arndt & Löwen-gard J. Hauff & Co. G. m. b. H.	Hamburg Stuttgart	4,500,000 — 3,000,000
June 1929	The Chemische Werke Grenzach A.G. absorbed the F. Hoffmann-Laroche A.-G.	Grenzach (Baden) Berlin	3,500,000 500,000
<i>V. Electrical Industry</i>			
<i>A. Purchase of holdings or shares</i>			
December 1928	The Gesellschaft für elektrische Unternehmungen (Gesfüel) purchased a parcel of shares of the Oberbayerische Überlandzentrale A.-G.	Berlin	40,010,000
		Munich	7,690,000
January 1929	The Württembergische Landes-Elektrizitäts-Akt.-Ges. purchased the Elektrizitätswerk Schwenningen	Stuttgart	7,500,000
		Schwenningen	—
January 1929	The Badische Landes-Elektrizitäts-versorgungs-A.-G. (Badenwerk) purchased 50% of the capital of the Badische Kraftlieferungsgesellschaft m. b. H. (Bakage)	Karlsruhe	21,000,000
		Freiburg	1,000,000
January 1929	The Gesellschaft für elektrische Unternehmungen (Gesfüel) made an exchange of shares with the Akt.-Ges. für Gas-, Wasser- und Elektrizitäts-Anlagen	Berlin	40,010,000
		Berlin	12,000,000
February 1929	The Electra A.-G. purchased a parcel of shares of the Landkraftwerke Leipzig A.-G.	Dresden	15,000,000
		Kulkwitz	16,000,000
March 1929	The Rheinisch-Westfälischen Elektrizitätswerk A.-G. (RWE) purchased the majority of the shares of the Kraftwerk Zukunft A.-G.	Essen	155,000,000
		Weisweiler	1,200,000

Date	Concern	Registered office	Capital of each concern in <i>R.M.</i>
May 1929	The Vereinigte Elektrizitätswerke Westfalen G. m. b. H. purchased the plants supplying electric power to the following towns: Datteln Südlohn Heiden	Dortmund — — —	75,000,000 — — —
<i>B. Amalgamations</i>			
February 1929	The Vereinigte Elektrizitätswerke Westfalen G. m. b. H. absorbed the following concerns: Kreiselektrizitätswerk Arnberg Elektrizitätswerke von Bövinghausen bei Dortmund Elektrizitätswerk von Neheim	Dortmund Arnberg Bövinghausen Neheim	75,000,000 — — —
March 1929	The Brandenburgische Carbid- und Elektrizitätswerke absorbed the Continentale Wasser- und Gaswerke A.-G.	Berlin Berlin	4,200,000 3,250,000
March 1929	The Vereinigte Elektrizitätswerke Westfalen G. m. b. H. absorbed the following concerns: Gaswerk Wanne-Eickel G. m. b. H. Gas- und Wasserwerk der Stadt Wattencheid Wasser- und Elektrizitätswerke der Stadt Werne	Dortmund Wanne Wattenscheid Werne	75,000,000 — — —
<i>C. Formation of "Communities of Interests"</i>			
December 1928	Formation of the Schluchseewerke A.-G. with the participation of the following concerns: Badische Landeselektrizitätsversorgungs A.-G. (Badenwerk) Rheinisch-Westfälisches Elektrizitätswerk (RWE)	Freiburg Karlsruhe Essen	14,000,000 21,000,000 140,000,000
February 1929	Formation of the Westdeutsche Elektrizitäts-Wirtschaft A.-G. with the participation of the following concerns: Rheinisch-Westfälisches Elektrizitätswerk (RWE) Braunkohlenindustrie A. G. Zukunft Main-Kraftwerke A.-G. Vereinigte Elektrizitätswerke Westfalen G. m. b. H. Kommunales Elektrizitätswerk Mark A.-G. Badische Landeselektrizitätsversorgungs A.G. (Badenwerk)	Frankfurt a. M. Essen Weisweiler Höchst a. M. Dortmund Hagen i. W. Karlsruhe	1,000,000 155,000,000 16,000,000 22,400,000 75,000,000 11,440,000 21,000,000

Date	Concern	Registered office	Capital of each concern in <i>R.M.</i>
March 1929	Formation of the following concerns: Mitteldeutsche Kraftwerk Magdeburg A.-G. Mittelland-Kanalhafen Magdeburg A.-G. with the participation of the following concerns: Georg von Giesche's Erben Deutsche Continental Gas-Akt.-Ges. and of the City of Magdeburg	Magdeburg Magdeburg Breslau Dessau	10,000,000 6,000,000 — 75,000,000
VI. Machine and Metal Industry			
<i>A. Purchase of holdings or shares</i>			
October 1928	The Kollmar & Jourdan Uhrkettenfabrik A.-G. purchased shares of the Klein & Quemzer A.-G.	Pforzheim Oberstein a. d. Nahe	5,000,000 300,000
November 1928	The Bayerische Motorenwerke A.-G. purchased the Fahrzeugfabrik Eisenach (Dixi Werke) belonging to the Gothaer Waggonfabrik A.-G.	Munich Gotha	16,000,000 7,000,750
November 1928	The Lindener Eisen- und Stahlwerke Akt.-Ges. purchased the majority of the shares of the Braunschweigische Maschinenbauanstalt A.-G.	Hanover-Linden Brunswick	2,560,000 1,620,000
November 1928	The Siemens & Halske A.-G. made an exchange of shares with the Elektrische Licht- und Kraftanlagen A.-G.	Berlin Berlin	100,000,000 30,000,000
November 1928	The H. Fuld & Co. Telephon- und Telegraphenwerke A.-G. purchased 75% of the capital of the Berliner Privat-Telephon-Gesellschaft m. b. H. (Priteg)	Frankfurt a. M. Berlin	— 1,000,000
February 1929	The A.-G. für Industrie und Technik purchased the majority of the shares of the Telegraphen A.-G.	Berlin Berlin	750,000 600,000
February 1929	The Deutsche Niles Werke A.-G. participated in the formation of the Werkzeugmaschinenfabrik Oskar Ehrlich A.-G.	Berlin Chemnitz	2,820,000 100,000
March 1929	The L. und C. Steinmüller purchased the majority of the shares of the Büttner-Werke A.-G.	Gummersbach Uerdingen	— 1,800,000

Date	Concern	Registered office	Capital of each concern in <i>ℳ</i>
May 1929	The Vereinigte Westdeutsche Waggonfabriken purchased 25 ⁰ / ₁₀₀ of the shares of the Gebr. Schöndorff A.-G.	Cologne Düsseldorf	12,650,000 7,200,000
June 1929	The Automobil-Werke H. Büssing Akt.-Ges. purchased the factories of the Mannesmann-Mulag i. Liquidation (Motoren und Lastwagen A.-G.)	Brunswick Aachen	— —
June 1929	Formation of the Philektra A.-G. with the participation of the Philipps A.-G. and of the N. V. Philips Radiofabrik	Frankfurt a. M. Frankfurt a. M. Eindhoven (Holland)	200,000 1,422,500 —
August 1929	The Elektromotoren-Werke K. Kaiser purchased the new shares of the Andree-Hauschild-Werke A.-G.	Berlin Berlin	— 300,000
August 1929	The Adlerwerke vorm. Heinrich Kleyer A.-G. purchased a holding in the Selbstfahrer G. m. b. H.	Frankfurt a. M. Hamburg	19,250,000 620,000
<i>B. Amalgamations</i>			
November 1928	The Deutsche Schiffs- und Maschinenbau A.-G. absorbed the G. Seebeck A.-G. Schiffswerft, Maschinenfabrik und Trockendocks	Bremen Wesermünde	25,000,000 3,240,000
December 1928	Formation of the Vereinigte Kölner Welter-Hebezeug- und Eisenwerke Heerdt Akt.-Ges. by the amalgamation of the following concerns: Welter Elektrizitäts- und Hebezeug-Werke A.-G. Eisenwerk und Maschinenbau Akt.-Ges.	Cologne Cologne-Zollstock Düsseldorf-Heerdt	1,400,000 260,400 1,400,000
January 1929	Formation of the I. G. Holzschraubenwerke A.-G. with the participation of the following concerns: Westdeutsche Holzschraubenfabrik Gerdes & Co. G. m. b. H. Fischer & Co. o. H. G. Falkenroth & Kleine Draht- und Schraubenfabrik Falkau A.-G.	Neuß Schwelm Neuß Schwelm Falkau	3,000,000 — — — —

Date	Concern	Registered office	Capital of each concern in <i>RM</i>
February 1929	The Vereinigte Westdeutsche Waggonfabriken A.-G. absorbed the Waggonfabrik Gebr. Gastell G. m. b. H.	Cologne Mainz	12,650,000 2,100,000
February 1929	Formation of the Wotan-Zimmermann-Werke A.-G. by the amalgamation of the following concerns: Wotanwerke A.-G. Zimmermannwerke Werkzeugmaschinenfabrik A.-G.	Leipzig Leipzig Chemnitz	1,500,000 840,000 840,000
February 1929	The Zschopauer Motorenwerk J. S. Rasmussen A.-G. absorbed the Nestler & Breitfeld A.G.	Zschopau Erla	1,000,000 2,500,000
March 1929	Formation of the C. Ade und S. J. Arnheim G. m. b. H., Spezialfabrik für Geldschrank- und Tresorbau by the amalgamation of the following concerns: C. Ade Spezialfabrik für Geldschrank- und Tresorbau G. m. b. H. S. J. Arnheim	Berlin Berlin Berlin	— — —
April 1929	The Gebr. Schöndorff A. G. absorbed the Norddeutsche Waggonfabrik Akt.-Ges.	Düsseldorf Bremen	7,200,000 2,200,000
April 1929	The Eisen- und Stahlwerk Hoesch Akt. Ges. absorbed the Beschlagteilmfabrik Gebr. Dörken A.-G.	Dortmund Gevelsberg	71,350,000 1,500,000
May 1929	The F. Langer & Co. A.-G. absorbed the Oskar Köhler A.-G. für Mechanische Industrie	Berlin Berlin	600,000 1,200,000
June 1929	The I. G. Holzschraubenwerke A.-G. absorbed the Holzschrauben-Draht-Fabrik Friedrich Boesner G. m. b. H.	Neuß Augustental b. Neuwied a. Rh.	3,000,000 —
July 1929	Formation of the Flugzeug- und Stahlbau A.-G. by the amalgamation of the following concerns: Raab-Katzenstein Flugzeugwerke G. m. b. H. Stahlbau-Gesellschaft m. b. H.	Kassel Kassel Rothenburg a. d. Fulda	— — —

Date	Concern	Registered office	Capital of each concern in <i>RM</i>
July 1929	The Leonische Werke Roth-Nürnberg Akt.-Ges. absorbed the Ama Drahtwerke A.-G.	Nuremberg Berlin-Spandau	6,000,000 100,000
August 1929	The Fabrik für Blechemballagen O.F. Schäfer Nachf. A. G. absorbed the F. G. Dittmann A.-G. and changed its trading title to F. G. Dittmann A.-G.	Berlin Berlin Berlin	1,221,000 625,000 1,621,000
<i>C. Formation of "Communities of Interests"</i>			
November 1928	Hohenzollern A.-G. für Lokomotivbau Maschinenbauanstalt Humboldt	Düsseldorf Cologne-Kalk	5,400,000 12,750,000
December 1928	Conclusion of an agreement between the A. Borsig G. m. b. H. and the Deutsche Schiffs- und Maschinenbau A.-G. with regard to the construction of locomotives	Berlin-Tegel Bremen	10,000,000 25,000,000
January 1929	J. A. Maffei A. G. Lokomotivfabriken Henschel & Sohn A.-G.	Munich Kassel	8,000,000 40,000,000
March 1929	Conclusion of an agreement between the Hohenzollern A.-G. für Lokomotivbau and the Maschinenbaugesellschaft Karlsruhe with regard to the construction of locomotives	Düsseldorf Karlsruhe	5,400,000 2,782,000
March 1929	Franz Braun A.-G. Gebrüder Böhlinger G. m. b. H. Heidenreich & Harbeck Komm. Ges. H. Wohlenberg	Zerbst Göppingen Hamburg Hanover	1,800,000 3,600,000 — —
May 1929	Sächsische Maschinenfabrik vorm. Rich. Hartmann A.-G. Nienburger Maschinenfabrik Akt.-Ges.	Chemnitz Nienburg a. d. Saale	11,000,000 669,000
May 1929	Formation of the Kugellagerstahlverband G. m. b. H. with the participation of the following concerns: Deutsche Edelstahlwerke A. G. Stahlwerke Röchling-Buderus A. G. Stahlwerke Becker A. G. Silesiastahlwerke G. m. b. H.	Düsseldorf Bochum Wetzlar Willich Berlin	— 30,000,000 3,000,000 6,500,000 —

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
June 1929	Formation of the Solinger Gesenkschmiede Engels, Rauh & Co. A.-G. with the participation of the following concerns: Johann Peter Engels G. m. b. H. August Küpper G. m. b. H. C. A. Schlemper o. H. G. Schmolz & Bickenbach Stahl-Akt.-Ges. F. W. Rauh o. H. G.	Solingen Solingen Solingen Solingen Düsseldorf Grafrath	50,000 860,000 200,000 — 600,000 —
July 1929	Haendler & Natermann A.-G.	Hann.-Münden	450,000
	Vereinigte Kapselfabriken Nackenheim-Beyerbach Nachf. A.-G.	Nackenheim	640,000
July 1929	Formation of the Hausuhrenwerke G. m. b. H. which will sell the products of the following concerns: Gebrüder Junghans A.-G. Hamburg-Amerikanische Uhrenfabriken Vereinigte Freiburger Uhrenfabriken A.-G. Kienzle Uhrenfabriken A.-G. Trischler, Witerhalder & Co. A. G. (Hawina) Friek & Co. Uhrenfabriken Lenzerich A.-G. Müller-Schlenker A.-G. Mattheus Bäuerle Kieninger & Oberfell Schlenker-Grusen Urgos	Villingen Schramberg Schramberg Freiburg (Schles.) Schwenningen Neustadt i. Schwarzwald Schwenningen Lenzerich Schwenningen St. Georgen St. Georgen Schwenningen Schwenningen	— 21,000,000 3,000,000 2,660,000 6,400,000 840,000 — 1,000,000 600,000 — — — —
VII. Textile Industry			
<i>A. Purchase of holdings or shares</i>			
November 1928	The Mayer-Kaufmann Textilwerke Akt.-Ges. purchased the factories of the Deutsche Textilwerke Mautner Akt.-Ges. at Langenbielau	Wüstegiersdorf Langenbielau	7,040,000 6,000,000
November 1928	The Deckenfabrik Gebr. Zoeppritz purchased a parcel of shares of the Tuch- und Kunstwollwerke Jancke & Co. K. G. a. A.	Mergelstetten Grünberg	— 653,000
January 1929	The Plauener Spitzenfabrik A.-G. purchased the E. Neuber & Co. at the same time handing over part of its shares	Plauen i. W. Plauen	750,000 —

Date	Concern	Registered office	Capital of each concern in <i>RM</i>
February 1929	The Mechanische Weberei zu Linden Akt.-Ges. purchased the factories of the Rheinische Velvetfabrik A. G.	Linden Neersen/Gladbach	13,566,000 480,000
<i>B. Amalgamations</i>			
December 1928	Formation of the Toga Vereinigte Webereien Akt. Ges. by the amalgamation of the following concerns: Ernst Fr. Weissflog A.-G. Gebr. Aschaffenburg, Tuchfab. Bautzner Tuchfabrik C. Delius, Tuchfabrik Joh. Erchens Söhne G. m. b. H. Wm. Focke & Co. Kammgarnweberei	Gera Gera Gladbach Bautzen Aachen Aachen Gera	15,000,000 3,000,000 — — — 2,300,000 —
December 1928	The Kammgarnspinnerei Stöhr & Co. absorbed the Kammgarnspinnerei Gautzsch b. Leipzig A.-G.	Leipzig Gautzsch/Leipzig	22,120,000 1,640,000
January 1929	Formation of the Pfeifle-Klotz G. m. b. H. by the amalgamation of the following concerns: Christian Pfeifle Mechanische Wirkwarenfabrik G. m. b. H. Filetwarenfabrik W. Klotz	Reutlingen Reutlingen Reutlingen	— — —
February 1929	Formation of the Vereinigte Kleider- und Webstoffwerke A.-G. by the amalgamation of the following concerns: Carl Hoth Alfermann & Jakobi A.-G.	Herford-Berlin Herford Herford	800,000 — 540,000
May 1929	The Weidaer Jute-Spinnerei und Weberei absorbed the Geraer Jute Spinnerei und Weberei	Weida Triebes	2,000,000 1,111,800
May 1929	The Kammgarnspinnerei Schedewitz Akt.-Ges. absorbed the Kammgarnspinnerei Silberstraße A.-G.	Silberstraße Silberstraße	2,500,000 1,600,000
<i>C. Formation of 'Communities of Interests'</i>			
December 1928	Mechanische Weberei A.-G. E. F. Brendler	Zittau Reichenau i. Sa.	3,641,000 —

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
December 1928	Formation of the Union-Ostsächsische Textilwerke A.-G. with the participation of the following concerns: C. Otto Engert, Textilwerke G. m. b. H. C. G. Thomas A.-G. Vereinigte Spinnereien Aug. Pelz & Co. und W. Paul G. m. b. H.	Kirschau Kirschau Wilthen Kirschau	600,000 1,200,000 1,200,000 —
April 1929	Moritz Ribbert A.-G. Heinrich Habig A.-G.	Hohenlimberg i. W. Herdecke (Ruhr)	5,000,000 1,000,000
VIII. Transport Industry			
<i>A. Purchase of holdings or shares</i>			
November 1928	The Lübeck-Buchener Eisenbahn-Gesellschaft purchased a parcel of shares of the Lübeck-Linie A.-G.	Lübeck Lübeck	45,000,000 825,000
March 1929	The A.-G. für Verkehrswesen purchased a parcel of shares of the Industriebau Held & Franke A.-G.	Berlin Berlin	50,000,000 8,100,000
April 1929	The Norddeutscher Lloyd purchased 51 % of the shares of the Dampfschiffahrtsgesellschaft "Neptun"	Bremen Bremen	165,000,000 7,000,000
August 1929	The Goliath-Werke G. m. b. H. purchased the majority of the shares of the Hansa-Lloyd-Werke A.-G.	Bremen Bremen	— 5,400,000
<i>B. Amalgamations</i>			
March 1929	The A.-G. für Verkehrswesen absorbed the Deutsche Eisenbahngesellschaft Akt.-Ges.	Berlin Frankfurt a. M.	50,000,000 10,505,000
May 1929	The Rhein- und See-Schiffahrtsgesellschaft absorbed the Mannheimer Lagerhaus-Gesellschaft	Cologne Mannheim	6,300,000 1,600,000
July 1929	The Braunschweig-Schöninger Eisenbahn-Akt. Ges. absorbed the Aschersleben-Schöninger Eisenbahn-Gesellschaft	Brunswick Aschersleben	3,205,000 1,230,000
July 1929	Formation of the Neue Norddeutsche und Vereinigte Elbeschiffahrt Akt.-Ges. by the amalgamation of the following concerns: Neue Norddeutsche Fluß-Dampf-Schiffahrtsgesellschaft Ver. Elbeschiffahrtsgesellsch.	Hamburg Hamburg Dresden	6,000,000 2,250,000 7,430,000

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
<i>C. Formation of "Communities of Interests"</i>			
May 1929	Rhein- und See-Schiffahrts-Gesellschaft	Cologne	6,300,000
	Badische A.-G. für Rheinschiffahrt u. Seetransport	Mannheim	4,000,000
	Rheinschiffahrt A.-G. vorm. Fendel	Mannheim	4,000,000
IX. Other Industries			
<i>A. Purchase of holdings or shares</i>			
November 1928	The Werner & Mertz A.-G. (Erdal-Werke) purchased the Berliner Urbin Werke (Urban & Lemm)	Mainz	5,000,000
		Berlin	—
February 1929	The Adler & Oppenheimer A.-G. and the Lederfabrik Freudenberg purchased the majority of the shares of the W. D. Seegers A.-G.	Berlin	15,000,000
		Weinheim	—
June 1929	The F. Buntzke-Bernhard Joseph Akt.-Ges. purchased the new shares (ℛℳ 650,000) of the Ludwig Wessel, Steingutwerke Akt.-Ges.	Steinhude/Hannover	2,000,000
		Berlin	2,750,000
		Bonn a. Rh.	750,000
<i>B. Amalgamations</i>			
November 1928	The Deutsche Dampffischerei-Gesellschaft Nordsee absorbed the Cuxhavener Hochseefischerei Akt.-Ges. and changed its trading title to "Nordsee" Deutsche Hochseefischerei Bremen-Cuxhaven A. G.	Nordenham	8,000,000
		Hamburg	8,084,000
		Hamburg	20,000,000
December 1928	The Matthias Hohner A.-G. Harmonikafabrik absorbed the Ands. Koch A.-G.	Trossingen	6,000,000
		Trossingen	1,800,000
December 1928	The Deutsche Linoleum-Werke A.-G. absorbed the Deutsche Linoleum-Unternehmungen A.-G.	Berlin	26,652,500
		Bietingheim	11,250,000
January 1929	The Vereinigte Korkindustrie Akt.-Ges. (VKI) absorbed the following concerns: Eugen Bähr Hermann Kochler	Berlin	12,500,000
		Karlsruhe Stettin	— —

Date	Concern	Registered office	Capital of each concern in <i>ℛℳ</i>
	The following concerns also belong to the Vereinigte Korkindustrie: Suberit-Fabrik A.-G. C. u. E. Mahla Hansa-Werk A.-G. Korksteinwerke Brand-Erbisdorf Korkschrotwerk Spechtritz Pommersche Kork-Industrie Hermann Koehler J. Schwerdtner J. H. Linnemann F. H. Plate Karl Machaelis & Co. C. H. Bergbauer Gotthard Streit	Mannheim Nuremberg Westerweyhe Brand Spechtritz Stettin Schneeberg Delmenhorst Delmenhorst Berlin Berlin Berlin	550,000 — 200,000 — — — — — — — —
April 1929	The Feldmühle Papier u. Zellstoffwerke A.-G. absorbed the Papierfabrik Reisholz A.-G.	Stettin Düsseldorf	26,000,000 6,180,000
June 1929	The Continental Caoutchouc- und Guttapercha Co. absorbed the following concerns: Hannoversche Gummiwerke Excelsior A.-G. Peters Union A.-G. Gummiwerke Titan B. Pollack Akt.-Ges. and changed its trading title to Continental Gummiwerke A. G.	Hannover Hannover-Linden Frankfurt a. M. Walterhausen Hannover	40,100,000 6,000,000 9,160,000 2,100,000 —
July 1929	The Hessen-Nassauische Gas A.-G. absorbed the Hessen-Nassauische Installations Akt. Ges.	Höchst a. M. Frankfurt a. M.	6,000,000 384,000
August 1929	The Reemtsma A.-G. purchased the following cigarette factories: Eckstein-Werke Massary G. m. b. H. Problem Bulgaria G. m. b. H. acquired the shares of the following concerns in liquidation: Waldorf-Astoria A. G. A. Batschari A.-G. and changed sit trading title to Reemtsma Cigarettenfabriken G. m. b. H. absorbing also the following concerns: Georg A. Jasmatzi A. G. i. L.	Altona Berlin Berlin Berlin Dresden Stuttgart Baden-Baden Altona Dresden	4,250,000 — — — — 1,005,000 3,500,000 30,000,000 8,950,000

Date	Concern	Registered office	Capital of each concern in <i>RM</i>
	N.V.HandelMaatschappijColand Orientalische Tabak- und Zigaretttenfabrik Yenidze Inh. Hugo Zietz G. m. b. H.	Amsterdam	—
	Grundstücksgesellschaft Runge strasse 22/24 G. m. b. H.	Dresden	—
	Grundstücksgesellschaft Kölln a. d. Spree G. m. b. H.	Berlin	—
	Zigaretttenfabrik Kreysel G. m. b. H.	Berlin	1,400,000
	Zigaretttenfabrik Konstantin Komm. Ges.	Wiesbaden	—
		Dresden	—
August 1929	The Verlagsanstalt vorm. G. J. Manz, Buch- und Kunstdruckerei Akt.-Ges.	Munich	706,000
	absorbed the Vereinigte Druckereien Kunst- und Verlagsanstalten Akt.-Ges.	Dillingen (Donau)	400,000
August 1929	The Steatit Magnesia A.-G.	Berlin	9,000,000
	absorbed the Porzellanfabrik Teltow G. m. b. H.	Berlin-Teltow	300,000
<i>Constitution of "Communities of Interests"</i>			
December 1928	Vereinigte Bayerische Spiegel- und Tafelglaswerke vorm. Schrenk & Co. A.-G.	Neustadt a. d. Waldnaab	1,618,500
	Verein Deutscher Spiegelglasfabriken	Cologne	—
February 1929	Ruhrgas A.-G. (A.-G. für Kohlenverwertung)	Essen	25,000,000
	Westfälische Ferngas Akt.-Ges.	—	—
February 1929	Formation of the Gasversorgung Mansfelder Land G. m. b. H. with the participation of the A.-G. für Licht- und Kraftversorgung and of the City of Hettstedt	Hettstedt	—
		Munich	22,030,000
May 1929	Formation of the Knopf-Industrie A.-G. with the participation of the following concerns:	Schmölln	300,000
	Butonia, Petzold & Co.	Schmölln	—
	H. Donath	Schmölln	—
	Bernhard Jahr	Schmölln	—
	Kühn & Co.	Schmölln	—
	Lippold & Co.	Schmölln	—
	R. Schimmel & Co.	Schmölln	—
	Schimmel, Schneider & Co.	Schmölln	—
	Strauss & Co.	Schmölln	—
	Karl Brandt jun.	Gössnitz	—
	Rob. Poschel	Gössnitz	—

A. Loans issued abroad by Concerns

Serial number	Concerns	Registered office	Branch of industry
1	Rheinisch-Westfälisches-Elektrizitätswerk A. G.	Essen	Electrical industry
2	Ilseeder Hütte	Gr. Ilseede	Heavy industry
3	Ruhr gas A. G.	Essen	Lighting industry
4	Rudolph Karstadt A. G.	Hamburg	Clothing industry
5	Lindemann & Co. A. G.	Berlin	Clothing industry
6	Harpener Bergbau A. G.	Dortmund	Heavy industry
7	Heyl-Beringer Farbenfabriken A. G.	Berlin	Chemical industry
8	Hessische Eisenbahn A. G.	Darmstadt	Transport industry
9	Lech-Elektrizitäts-Werke A. G.	Augsburg	Electrical industry
10	Deutsches Kali-Syndikat G. m. b. H.	Berlin	Heavy industry
11	Ruhr Chemie A. G.	Sterkrade	Chemical industry

(¹) Figure referring to the whole of the undertakings which combine to form the Kali-Syndikat.

Concerns subject to the Industrial Charges Law from September 1, 1928 to August 31, 1929

Company	Share capital RM	Nominal amount of the 5 per cent negotiable industrial debentures (§ 13 I. G. B.) GM	Loans issued abroad						Country
			Nominal amount		Interest	Price of issue	Date	Duration	
				RM					
ry	181,000,000	13,100,000	\$ 20,000,000	84,000,000	6	94	1. 8. 28	25	National
	65,000,000	8,000,000	\$ 10,000,000	42,000,000	6	92	1. 8. 28	20	National
y	25,000,000	—	\$ 12,000,000	50,400,000	6½	94	1. 10. 28	25	Dillon, B
y	70,000,000	—	\$ 15,000,000	68,000,000	6	98	1. 11. 28	15	Dillon, B
y	3,600,000	—	\$ 3,000,000	12,600,000	6½	—	12. 28	25	New Invest
	110,300,000	8,100,000	\$ 10,000,000	42,000,000	6	90	1. 1. 29	20	National
ry	6,500,000	—	D. Fl. 3,600,000	6,070,000	7	97½	2. 1. 29	15	Nederlands
ry	4,000,000	—	S.Fr. 5,000,000	4,050,000	6½	96½	1. 6. 29	25	Schweizeris
ry	40,532,400	3,100,000	S.Fr. 8,000,000	6,480,000	7	97½	1. 6. 29	22	Schweizeris
	1,500,000	(1) 13,500,000	£ 3,000,000	61,290,000	6½	96	1. 6. 29	24	J. Henn Higgin Schweizeris Hoppe Lippman
ry	27,000,000	—	\$ 3,000,000	12,600,000	8	100	1. 6. 29	6	Stockholms Dillon, B
		45,800,000		384,490,000					

Loans issued abroad					Issuing house	Observations
RM	Interest	Price of issue	Date	Duration		
1,000,000	6	94	1. 8. 28	25	National City Bank of New York	Option of repayment in full or in part at any time; at 102 until August 1, 1933; at 101 until August 1, 1943; subsequently at par. Each \$ 1,000 tranche of bonds will entitle subscribers to an option on four shares of the Company in the form of certificates of the National City Bank; this option can be exercised between 1929 and 1931 at a price varying between 50 and 55 dollars per share.
1,000,000	6	92	1. 8. 28	20	National City Co., New York	Option of repayment in full or in part at any time; at 103 until August 1, 1930; at 102 until August 1, 1932; at 101 until August 1, 1933. Two tranches of \$ 500,000 each have been placed in Sweden and Holland. The proceeds of the loan will serve in part to redeem the loan of \$ 7,500,000 issued in April 1926 at 7 per cent.
1,400,000	6½	94	1. 10. 28	25	Dillon, Read & Co., New York	Option of repayment in full or in part at any time; at 102 until October 1, 1933; at 101.5 until October 1, 1938; at 101 until October 1, 1943; at 100.5 until October 1, 1948; subsequently at par. A tranche of \$ 1,000,000 has been placed in Sweden; a tranche of \$ 1,500,000 in Holland and a third tranche of \$ 600,000 in Switzerland.
1,000,000	6	98	1. 11. 28	15	Dillon, Read & Co., New York	Option of repayment in full or in part at any time; at 102 until November 1, 1933; at 101 until November 1, 1938; subsequently at par. Redeemable by drawings as from May 1, 1929. For each \$ 1,000 tranche of bonds subscribers will receive three shares of the Company of a nominal value of \$ 40 each, in the form of certificates of the International Acceptance Trust Co.
2,600,000	6½	—	12. 28	25	New York and Foreign Investing Corp., New York	
2,000,000	6	90	1. 1. 29	20	National City Bank of New York	First tranche of a loan of \$ 20,000,000. Option of repayment in full or in part at any time; at 103 until January 1, 1934; at 102 until January 1, 1939; at 101 until January 1, 1944; subsequently at par. The holders of bonds will be entitled for each \$ 100 tranche to an option on 200 nominal value of shares of the Company; this option can be exercised between July 1, 1929, and April 30, 1932 at the price of \$ 36. Two tranches of \$ 2,500,000 each have been placed in Great Britain and Holland, one of \$ 2,000,000 in Switzerland and one of \$ 500,000 in Sweden.
5,070,000	7	97½	2. 1. 29	15	Nederlandsch Indische Handelsbank	Not repayable until January 2, 1935. Redeemable as from January 2, 1931 by drawings at 107½. Each holder of 1,000 florins of bonds will be entitled to an option, to be exercised between January 2, 1929 and December 31, 1933, on 500 nominal value of shares of the Company at the price of 150. A tranche of 2,400,000 florins has been placed in Great Britain.
1,050,000	6½	96½	1. 6. 29	25	Schweizerische Kreditanstalt, Zürich	Option of repayment in full or in part after January 1, 1934. Redeemable as from January 1, 1933 by repurchase or drawings at par.
1,480,000	7	97½	1. 6. 29	22	Schweizerische Kreditanstalt, Zürich	Option of repayment in full or in part at 102 until October 1, 1931, subsequently at par.
1,290,000	6½	96	1. 6. 29	24	J. Henry Schroeder, London Higginson & Co., London Schweizerische Kreditanstalt, Zürich Hope & Co., Amsterdam Lippmann, Rosenthal & Co., Amsterdam Stockholms Enskilda Bank, Stockholm	Third tranche (Series C) of a loan of £ 15,000,000, of which the first tranche of £ 8,000,000 was issued in December 1925 and the second of £ 4,000,000 in May 1926. Option of repayment as from January 1, 1941 at 102½. Two tranches of £ 375,000 each have been placed in Holland and Switzerland.
2,600,000	8	100	1. 6. 29	6	Dillon, Read & Co., New York	
1,490,000						

B. Internal Loans issued by Concerns subject to the Industrial Charges Law from S

Serial number	Concerns	Registered office	Branch of industry	Share capital RM	Nominal amount of the 5 per cent negotiable industrial debentures (§ 13 I. B. G.) GM	Loan	
						Nominal amount RM	Inter
1	Behringwerke A. G.	Marburg a. d. Lahn	Chemical industry	1,800,000	—	500,000	
2	Liegnitz-Rawitscher Eisenbahn-Gesellschaft	Liegnitz	Transport industry	5,950,000	—	1,000,000	
3	Gewerkschaft Zeche Heinrich	Ueberruhr	Heavy industry	—	—	3,000,000	
						4,500,000	

issued by Concerns subject to the Industrial Charges Law from September 1, 1928, to August 31, 1929.

III. B.

Registered office	Branch of industry	Share capital <i>RM</i>	Nominal amount of the 5 per cent negotiable industrial debentures (§ 13 I. B. G.) <i>GM</i>	Loans issued on the internal market					Observations
				Nominal amount <i>RM</i>	Interest	Issue price	Date	Duration	
Arburg a. d. Lahn	Chemical industry	1,800,000	—	500,000	8	97 $\frac{1}{2}$	1. 10. 28	24	Not repayable until December 31, 1931. Redeemable as from 1932 by drawings at par. Until 1931 the bonds of the loan can be converted into shares of the Company at 110.
Liegnitz	Transport industry	5,950,000	—	1,000,000	8	92 $\frac{1}{2}$	11. 28	24	Redeemable as from 1934 by drawings at par.
Ueberruhr	Heavy industry	—	—	3,000,000	8	100	1. 5. 29	20	On each bond of the loan an annual 3 per cent bonus will be allotted as from May 1, 1930; the concern can redeem this engagement at any time at its capital value calculated at the rate of 8 per cent. Redeemable as from May 1, 1935 by drawings or repurchase.
				4,500,000					

Annex IV.

**Summary
of Balance Sheets of Concerns subject
to the Industrial Charges Law.**

(Business Year 1927—28 or 1928.)

Summary of Balance Sheets for the Business Year 1927-28 or 1928 of Concerns subject to the Industrial Charges

Recapitulation according to the Branch of Industry.

	Branch of industry	Number of concerns	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or					
						Debenture capital	Annuity	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net plus or minus
I	Building Industry and Industries for Building Materials.....	15	208,456,000	25,619,794	16,991,328	36,687,000	2,182,430	34,120,716	13,404,529	20,726,533	10,346	2,181,147	22,907,684
II	Foodstuffs Industry	40	461,597,110	64,743,614	44,066,449	96,540,500	5,774,214	89,370,582	34,479,641	55,092,036	201,095	5,134,449	60,226,585
III	Heavy Industry	70	3,036,571,800	752,991,394	1,255,674,509	526,054,438	31,161,880	452,752,909 — 596,214	264,967,048	190,530,743	3,341,096	21,706,998	212,237,941
IV	Chemical Industry	30	1,595,336,250	250,819,655	287,088,034	313,474,500	18,799,920	249,537,108	94,423,572	155,113,536	—	9,461,365	164,574,901
V	Electrical Industry	40	1,396,139,066	437,753,484	805,927,873	224,494,180	13,272,201	209,925,294 — 617,265	74,345,217	135,871,862	909,140	7,328,962	143,199,824
VI	Metal and machinery Industry	90	1,119,597,350	154,857,187	183,214,753	226,411,600	13,309,586	137,856,205 — 18,502,769	81,385,125	69,497,883	31,529,572	13,105,418	82,602,291
VII	Textile Industry	25	366,803,900	146,050,847	38,388,879	65,742,000	3,941,015	62,851,491 — 2,652,923	25,127,046	39,276,256	4,204,734	2,627,213	41,898,469
VIII	Miscellaneous Industries	50	539,080,400	135,275,504	72,931,703	104,683,000	6,237,485	79,883,665 — 342,983	32,936,930	48,886,288	2,282,536	5,701,795	54,588,083
		360	8,723,581,876	1,968,111,479	2,704,283,528	1,594,087,218	91,678,731	1,293,585,726	621,069,108	714,995,137	42,478,519	51,626,753	726,621,890
(1) Statutory reserves and sums placed to reserve for various purposes. (2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge. (3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.		NB.— Although the figures relating to the reparation charge are occasionally shown in the accounts of concerns liable to the industrial charge and are been included in the tables of this Annex as they are subject to revision at each re-distribution of the charge. Details on each branch of industry will be found in the subsequent tables.											

28 of Concerns subject to the Industrial Charges Law.

Branch of Industry.

IV.

Balance sheet results for 1927-28 or 1928									Comparison with the business year 1926-27 or 1927		
Rating bits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percent- age	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)
120,716	13,404,529	20,726,533	10,346	2,181,147	22,897,334	17,143,997	8,22	5,753,337	73,281,171	9	5,957,741
370,582	34,479,641	55,092,036	201,095	5,134,449 — 4,485,833	60,007,027 — 4,467,470	45,572,644	9,87	14,434,383 — 4,467,470	53,054,904	9,04	13,147,999
752,909 596,211	264,967,048	190,530,743	3,341,096	21,706,998 — 3,282,698	212,182,632 — 6,568,685	175,842,695	5,79	36,339,937 — 6,568,685	215,792,622 — 4,009,428	6,08	41,403,344 — 4,009,428
537,108	94,423,572	155,113,536	—	9,461,365	164,574,901	128,063,797	8,03	36,511,104	132,006,236 — 37,194	7,45	14,050,438 — 37,194
925,204 617,265	74,345,217	135,871,862	900,140	7,328,962	143,189,001 — 897,317	109,421,208	7,84	33,767,793 — 897,317	131,473,092	7,73	30,842,052
856,205 502,769	81,385,125	69,497,883	31,529,572	13,105,418 — 7,252,583	81,398,363 — 37,577,217	57,816,277	5,16	23,582,086 — 37,577,217	71,711,582 — 28,507,378	4,96	20,175,078 — 28,507,378
851,491 852,923	25,127,046	39,276,256	4,204,734	2,627,213 — 599,480	41,625,017 — 4,525,762	35,573,698	9,70	6,051,319 — 4,525,762	41,213,834 — 599,480	10,40	7,142,895 — 599,480
883,665 442,983	32,936,930	48,886,288	2,282,536	5,701,795	54,418,673 — 2,113,126	40,930,220	7,59	13,488,453 — 2,113,126	52,511,095 — 137,197	7,63	12,899,516 — 137,197
85,726	621,069,108	714,995,137	42,478,519	51,626,753	724,143,371	610,364,536	7	113,778,835	687,753,899	6,95	112,328,386

in the accounts of concerns liable to the industrial charge and are always published in the Prospectuses for the issue of loans, they have not distribution of the charge.

I. Building Industry and Industries for Building Material

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits (2)	Amortisation effected	Balance sheet results	
						Debenture capital	Annuity				Net profit on the business year	Loss on the business year
1	Philipp Holzmann A. G.	Frankfurt a. M.	20,090,000	3,187,753	5,361,878	—	—	31. 12. 28	2,891,797	1,410,814	1,480,983	—
2	Wicking'sche Portland-Cement- u. Wasserkalkwerke A. G.	Münster i. W.	31,000,000	2,770,602	2,351,649	—	—	31. 12. 28	3,424,391	1,302,718	2,121,673	—
3	Alsen'sche Portland Zement-Fabriken	Hamburg	6,020,000	1,730,363	—	—	—	31. 12. 28	1,558,474	—	1,558,474	—
4	Deutsche Ton- und Steinzeug-Werke A. G.	Berlin-Charlottenburg	10,165,000	1,693,733	63,381	—	—	31. 12. 28	1,528,135	395,851	1,132,284	—
5	Rheinisch-Westfälische Kalkwerke	Dornap	15,000,000	2,100,000	182,000	—	—	30. 6. 28	2,115,047	1,127,534	987,513	—
6	Julius Berger Tiefbau-A. G.	Berlin	7,500,000	2,952,000	—	—	—	31. 12. 28	2,292,214	365,595	1,926,619	—
7	Basalt A. G.	Linz a. Rh.	24,000,000	1,423,676	4,738,131	—	—	31. 12. 28	1,147,888	1,158,234	—	10,34
8	Schlesische Portland-Cement-Industrie A. G.	Oppeln	27,000,000	2,700,000	150,000	—	—	31. 12. 28	6,826,467	3,005,260	3,821,207	—
9	Stettiner Chamotte Fabrik A. G. vorm. Didier	Berlin	18,215,000	1,620,908	3,658	—	—	31. 12. 28	1,444,646	374,660	1,069,986	—
10	Portland-Cementfabrik »Germania« A. G.	Hannover	4,905,000	750,000	2,592	—	—	31. 12. 28	1,569,445	569,889	999,556	—
11	Dyckerhoff & Widmann A. G.	Wiesbaden-Biebrich	8,000,000	1,015,759	3,756,626	—	—	31. 12. 28	1,939,094	1,146,123	792,971	—
12	Sächsisch-Thüringische Portland-Cement-Fabrik Prüssing & Co. K. G. a. A.	Göschwitz (Saale)	5,311,000	1,650,000	—	—	—	31. 12. 28	1,235,704	516,803	718,901	—
13	Gebrüder Goedhart A.-G.	Düsseldorf	3,250,000	425,000	—	—	—	31. 12. 28	900,417	255,050	645,367	—
14	Portland-Cementwerke Heidelberg-Mannheim-Stuttgart A. G.	Heidelberg	25,000,000	1,300,000	381,413	—	—	31. 12. 28	4,594,668	1,727,347	2,867,321	—
15	Berlinische Boden-Gesellschaft	Berlin	3,000,000	300,000	—	—	—	31. 12. 28	652,329	48,651	603,678	—
			208,456,000	25,619,794	16,991,328	36,687,000	2,182,430	—	34,120,716	13,404,529	20,726,533	10,34

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

Industry and Industries for Building Materials.

IV. I.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
31. 12. 28	2,891,797	1,410,814	1,480,983	—	198,686	1,679,669	1,400,000 5,400	7 a) 6 b)	274,269	1,670,746	7 a) 6 b)	265,346	a) ordinary shares; b) preference shares.
31. 12. 28	3,424,391	1,302,718	2,121,673	—	161,905	2,283,578	1,919,000	10 a)	364,578	2,112,169	12 a) 6 b) 6 c)	270,027	a) ordinary shares; b) ordinary shares held in reserve; c) ordinary „protection“ shares.
31. 12. 28	1,558,474	—	1,558,474	—	139,724	1,698,198	900,000 1,000	15 a) 5 b)	797,198	1,462,019	15 a) 5 b)	561,019	a) ordinary shares; b) preference shares.
31. 12. 28	1,528,135	395,851	1,132,284	—	175,311	1,307,595	1,042,512 20,625	11 a) 12 1/2 b)	244,458	1,355,203	10 a) 12 b)	413,775	a) ordinary shares; b) preference shares.
30. 6. 28	2,115,047	1,127,534	987,513	—	547,342	1,534,855	1,200,000	8	334,855	1,747,342	8	547,342	
31. 12. 28	2,292,214	365,595	1,926,619	—	69,244	1,995,863	1,500,000	20	495,863	2,005,063	20	505,063	
31. 12. 28	1,147,888	1,158,234	—	10,346	35,783	25,437	—	0	25,437	1,575,520	6	375,520	
31. 12. 28	6,826,467	3,005,260	3,821,207	—	223,776	4,044,983	3,180,000	12	864,983	4,184,174	12	1,124,174	
31. 12. 28	1,444,646	374,660	1,069,986	—	35,146	1,105,132	900,000 12,900	5 a) 6 b)	192,232	842,541	5 a) 6 b)	109,641	a) ordinary shares; b) preference shares.
31. 12. 28	1,569,445	569,889	999,556	—	102,461	1,102,017	686,000 350	14 a) 7 b)	415,667	1,162,720	14 a) 7 b)	476,370	a) ordinary shares; b) preference shares.
31. 12. 28	1,939,094	1,146,123	792,971	—	109,245	902,216	640,000	8	262,216	609,245	6	209,245	
31. 12. 28	1,235,704	516,803	718,901	—	67,330	786,231	636,720 300	12 a) 6 b)	149,211	647,226	12 a) 6 b)	142,206	a) ordinary shares; b) preference shares.
31. 12. 28	900,417	255,050	645,367	—	70,340	715,707	450,000 15,000	15 a) 6 b)	250,707	503,340	10 a) 6 b)	190,340	a) ordinary shares; b) preference shares.
31. 12. 28	4,594,668	1,727,347	2,867,321	—	173,250	3,040,571	2,262,840 5,000 6,350	10 a) 5 b) 4 1/2 c)	766,381	2,276,440	10 a) 5 b) 4 1/2 c)	452,250	a) ordinary shares; b) preference shares; c) bonus shares (Genussscheine).
31. 12. 28	652,329	48,651	603,678	—	71,604	675,282	360,000	12	315,282	675,423	12	315,423	
—	34,120,716	13,404,529	20,726,533	10,346	2,181,147	22,897,334	17,143,997	8,22	5,753,337	23,281,171	9	5,957,741	

II. Foodstuffs Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits ²	Amortisation effected	Balance sheet result	
						Debenture capital	Annuity				Net profit on the business year	Loss on the business year
1	Leipziger Bierbrauerei zu Reudnitz Riebeck & Co. A. G.	Leipzig-Reudnitz	18,610,000	3,033,065	6,691,039	—	—	/ 30. 9. 28	3,970,429	1,849,705	2,120,724	—
2	Dortmunder Union Brauerei A. G.	Dortmund	15,015,000	2,901,500	—	—	—	31. 12. 28	5,432,179	1,866,366	3,565,813	—
3	Norddeutsche Eiswerke A. G.	Berlin	3,660,000	366,000	375,000	—	—	31. 12. 28	543,090	174,743	368,347	—
4	Bierbrauerei Gebr. Muser A. G.	Langendreer	3,000,000	427,094	225,541	—	—	31. 12. 28	476,117	228,737	247,380	—
5	Engelhardt-Brauerei A. G.	Berlin	12,100,000	3,010,000	6,565,622	—	—	30. 9. 28	3,729,477	1,960,794	1,768,683	—
6	Hoefel-Brauerei A. G.	Düsseldorf	5,000,000	500,000	—	—	—	30. 9. 28	401,364	208,575	192,789	—
7	Schultheiss-Patzenhofer Brauerei A. G.	Berlin	51,000,000	8,600,000	2,635,024	—	—	31. 8. 28	16,447,856	6,640,704	9,807,152	—
8	Sinner A. G.	Karlsruhe Grünwinkel i. B.	6,500,000	2,300,000	1,854,428	—	—	31. 12. 28	1,045,027	329,075	715,952	—
9	Charlottenburger Wasser- u. Industriewerke A. G. ...	Berlin	60,000,000	5,372,651	3,531	—	—	30. 9. 28	5,385,078	73,118	5,311,960	—
10	Gesellschaft für Markt- und Kühlhallen	Hamburg	8,420,000	1,929,466	661,841	—	—	31. 12. 28	1,804,479	472,625	1,331,854	—
11	Sarotti A. G.	Berlin	11,000,000	1,811,536	—	—	—	31. 12. 28	2,042,198	953,006	1,089,192	—
12	Wasserwerk für das nördliche westfälische Kohlenrevier A. G.	Gelsenkirchen	28,000,000	2,800,000	289,467	—	—	31. 12. 28	4,045,992	1,430,194	2,615,798	—
13	Zuckerraffinerie Tangermünde Fr. Meyer Sohn, A. G.	Tangermünde	11,600,000	1,160,000	123,971	—	—	30. 9. 28	1,525,008	803,415	721,593	—
14	Aktienbrauerei zum Löwenbräu	München	13,045,000	2,752,980	5,072,827	—	—	30. 9. 28	3,909,114	1,148,630	2,760,484	—
15	Norddeutsche Hefeindustrie A. G.	Berlin	16,600,000	352,765	2,002,261	—	—	31. 12. 28	2,036,857	950,704	1,086,153	—
16	Actiengesellschaft Hackerbräu	München	3,258,000	2,592,702	1,308,955	—	—	30. 9. 28	886,671	279,744	606,927	—
17	Brauhaus Nürnberg A. G.	Nürnberg	5,605,000	800,000	1,553,851	—	—	30. 9. 28	1,116,349	298,786	817,563	—
18	Holsten-Brauerei	Altona	10,005,000	1,302,720	178,169	—	—	30. 9. 28	2,370,167	1,062,607	1,507,560	—
19	Dortmunder Actien-Brauerei	Dortmund	11,110,270	1,799,593	1,334	—	—	30. 9. 28	4,838,130	2,045,203	2,792,927	—
20	Gebrüder Stollwerck A. G.	Köln	16,456,000	1,645,600	653,835	—	—	30. 6. 28	2,969,597	762,503	2,207,094	—
21	Bremen-Besigheimer Oelfabriken A. G.	Bremen	10,880,000	71,611	84,550	—	—	31. 12. 28	751,515	281,144	470,371	—
22	Löwenbrauerei-Böhmisches Brauhaus A. G.	Berlin	6,250,000	1,250,000	839,779	—	—	30. 9. 28	2,212,382	1,395,132	817,250	—
23	Zuckerfabrik Froebeln A. G.	Löwen i. Schl.	4,072,320	131,320	360,999	—	—	31. 8. 28	445,309	243,159	202,150	—
24	Bavaria- und St. Pauli-Brauerei	Altona	9,000,000	1,110,250	1,163,152	—	—	30. 9. 28	3,221,357	1,841,252	1,380,105	—
25	Süddeutsche Zucker-A.-G.	Mannheim	30,000,000	5,300,000	—	—	—	31. 8. 28	4,349,274	1,316,987	3,032,287	—
			370,186,590	53,320,853	32,645,176	79,296,000	4,744,822	—	76,155,016	28,616,908	47,538,108	—

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

II. Foodstuffs Industry.

IV. II.

n	Date of balance sheet	Balance sheet results for 1927-28 or 1928									Comparison with the business year 1926-27 or 1927			Observations
		Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand ³	Net profit plus balance brought forward	Dividend distributed	Balance in hand ³	
	30. 9. 28	3,970,429	1,849,705	2,120,724	—	32,293	2,153,017	1,904,232	12 a)	239,473	1,636,613	10 a)	131,981	a) ordinary shares; b) preference shares A; c) preference shares B.
							6,312	6 b)	6 b)					
							3,000	10 c)	10 c)					
	31. 12. 28	5,432,179	1,866,366	3,565,813	—	141,759	3,707,572	2,400,000	16 a)	1,306,672	2,844,159	14 a)	743,259	a) ordinary shares; b) preference shares.
							900	6 b)	6 b)					
	31. 12. 28	543,090	174,743	368,347	—	4,520	372,867	365,000	10 a)	6,867	370,520	10 a)	4,520	a) ordinary shares; b) preference shares.
							1,000	10 b)	10 b)					
	31. 12. 28	476,117	228,737	247,380	—	48,766	296,146	180,000	6	116,146	282,521	6	120,521	
	30. 9. 28	3,729,477	1,960,794	1,768,683	—	220,219	1,988,902	1,560,000	13 a)					
							6,000	6 b)	6 b)	422,902	1,836,489	12 a)	390,489	a) ordinary shares; b) preference shares.
	30. 9. 28	401,364	208,575	192,789	—	25,181	217,970	201,900	6					
							7,500,000	15 a)	15 a)	2,794,567	8,701,733	15 a)	2,866,733	a) ordinary shares; b) preference shares.
	31. 8. 28	16,447,856	6,640,704	9,807,152	—	547,415	10,354,567	60,000	6 b)					
	31. 12. 28	1,045,027	329,075	715,952	—	256,968	972,920	650,000	10	322,920	954,268	10	304,268	
	30. 9. 28	5,385,078	73,118	5,311,960	—	182,007	5,493,967	4,800,000	8	693,967	4,582,007	7	382,007	
	31. 12. 28	1,804,479	472,625	1,331,854	—	69,114	1,400,968	1,008,000	12 a)					
							1,200	6 b)	6 b)	391,768	1,586,731	12 a)	577,531	a) ordinary shares; b) preference shares.
	31. 12. 28	2,042,198	953,006	1,089,192	—	105,807	1,194,999	1,000,000	10					
										194,999	1,135,807	12	175,807	
	31. 12. 28	4,045,992	1,430,194	2,615,798	—	119,226	2,735,024	2,520,000	9					
	30. 9. 28	1,525,008	803,415	721,593	—	180,032	901,625	696,000	6	205,625	896,205	6	200,205	
	30. 9. 28	3,909,114	1,148,630	2,760,484	—	69,855	2,830,339	1,820,000	14 a)					
							2,250	5 b)	5 b)	1,008,089	2,532,987	13 a)	840,737	a) ordinary shares; b) preference shares.
	31. 12. 28	2,036,857	950,704	1,086,153	—	102,661	1,188,814	996,000	6					
	30. 9. 28	886,671	279,744	606,927	—	277,243	884,170	324,000	10 a)	558,370	819,214	10 a)	494,134	a) ordinary shares; b) preference shares.
							1,800	10 b)	10 b)					
	30. 9. 28	1,116,349	298,786	817,563	—	23,523	841,086	672,000	12 a)	168,786	773,053	12 a)	100,753	a) ordinary shares; b) preference shares.
							300	6 b)	6 b)					
	30. 9. 28	2,570,167	1,062,607	1,507,560	—	32,754	1,540,314	1,400,000	14 a)	139,964	1,322,531	12 a)	122,181	a) ordinary shares; b) preference shares.
							350	7 b)	7 b)					
	30. 9. 28	4,838,130	2,045,203	2,792,927	—	—	2,792,927	1,665,731	15 a)	1,126,764	2,158,263	12 a)	825,247	a) ordinary shares; b) preference shares.
							432	8 b)	8 b)					
	30. 6. 28	2,969,597	762,503	2,207,094	—	107,014	2,314,108	1,354,500	9 a)	206,748	1,509,914	9 a)	155,054	a) ordinary shares; b) Bonus to ordinary shares; c) preference shares.
							752,500	5 b)	5 b)					
							360	6 c)	6 c)					
	31. 12. 28	751,515	281,144	470,371	—	164,376	634,747	435,200	4	199,547	631,133	4	195,933	
	30. 9. 28	2,212,382	1,395,132	817,250	—	10,590	827,840	750,000	12					
	31. 8. 28	445,309	243,159	202,150	—	24,508	226,658	188,000	5	38,658	272,784	6	47,184	
	30. 9. 28	3,221,357	1,841,252	1,380,105	—	156,626	1,536,731	1,260,000	14					
	31. 8. 28	4,349,274	1,316,987	3,032,287	—	1,105,784	4,138,071	2,960,000	10 a)	1,150,071	3,286,754	8 a)	1,105,784	a) ordinary shares; b) preference shares.
							28,000	7 b)	7 b)					
	—	76,155,016	28,616,908	47,538,108	—	4,008,241	51,546,349	39,474,967	—	12,071,382	44,688,609	—	10,611,351	

II. Foodstuffs Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits ²	Amortisation effected	Bal
						Debenture capital	Annuity				Net profit the busi year
			37,018,590	53,320,853	32,645,176	79,296,000	4,744,822	—	76,155,016	28,616,908	47,538
26	Pommersche Provinzial-Zuckersiederei	Stettin	4,326,000	1,432,000	—	—	—	30. 9. 28	839,539	358,512	481
27	vom Rath, Schoeller & Skene A. G.	Klettendorf	15,000,000	—	561,110	—	—	31. 8. 28	251,764	233,401	18
28	Hartwig & Vogel A. G.	Dresden	7,500,000	1,050,000	1,508,344	—	—	31. 12. 28	600,229	801,324	—
29	A. G. Paulanerbräu — Salvatorbrauerei und Thomasbräu	München	10,000,000	996,743	2,969,851	—	—	31. 8. 28	1,760,616	616,957	1,143
30	Freiherrlich von Tucher'sche Brauerei A. G.	Nürnberg	5,000,000	500,000	1,272,527	—	—	30. 6. 28	901,245	397,296	503
31	Schlesische Mühlenwerke A. G.	Breslau	4,400,000	330,000	133,021	—	—	31. 12. 28	503,334	243,024	260
32	Brauerei zum Felsenkeller	Dresden	9,073,000	1,775,029	130,009	—	—	30. 9. 28	1,419,080	794,062	625
33	Zuckerraffinerie Halle	Halle a. S.	4,640,000	598,816	—	—	—	30. 9. 28	361,447	175,523	185
34	Rositzer Zuckerraffinerie	Rositz (Thür.)	3,484,000	99,225	—	—	—	30. 9. 28	283,559	134,770	148
35	Radeberger Exportbierbrauerei A. G.	Radeberg	6,005,000	1,150,000	364,699	—	—	30. 9. 28	1,479,689	333,812	1,145
36	Wicküler-Küpper-Brauerei A. G.	Elberfeld	4,000,000	400,000	12,757	—	—	31. 10. 28	1,245,347	670,782	574
37	Aktienbrauerei zum Hasen	Augsburg	6,006,000	760,000	3,459,731	—	—	30. 9. 28	842,304	462,836	379
38	Stärke-Zuckerfabrik A. G. vormals C. A. Koehlmann & Co.	Frankfurt (Oder)	3,785,000	761,796	—	—	—	31. 8. 28	545,464	252,939	292
39	Schöffenhof-Binding-Bürgerbräu A. G.	Frankfurt a. M.	5,060,000	1,256,000	1,009,224	—	—	30. 9. 28	1,740,456	229,817	1,510
40	Zuckerfabrik Rheingau A. G.	Worms a. Rh.	3,131,520	313,152	—	—	—	31. 8. 28	441,493	157,678	283
			461,597,110	64,743,614	44,066,449	96,540,500	5,774,214	—	89,370,582	34,479,641	55,092
			461,597,110	64,743,614	44,066,449	96,540,500	5,774,214	—	89,370,582	34,479,641	55,092

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

II. Foodstuffs Industry.

IV. II.

Reparation charge		Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Debenture capital	Annuity	Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand ³	Net profit plus balance brought forward	Dividend distributed	Balance in hand ³	
79,296,000	4,744,822	—	76,155,016	28,616,908	47,538,108	—	4,008,241	51,546,349	39,474,967	—	12,071,382	44,688,609	—	10,611,351	
—	—	30. 9. 28	839,539	358,512	481,027	—	356	481,383	475,200	11 a) } 6 b) }	5,823	442,242	10 a) } 6 b) }	9,882	a) ordinary shares; b) preference shares
—	—	31. 8. 28	251,764	233,401	18,363	—	—4,485,833	—4,467,470	—	0	—4,467,470	—4,485,833	0	—4,485,833	
—	—	31. 12. 28	600,229	801,324	—	201,095	333,889	132,794	—	0	132,794	933,889	8	333,889	
—	—	31. 8. 28	1,760,616	616,957	1,143,659	—	240,192	1,383,851	730,920	12	652,931	1,002,391	12	668,311	
—	—	30. 6. 28	901,245	397,296	503,949	—	57,405	561,354	500,000	10	61,354	581,404	10	81,404	
—	—	31. 12. 28	503,334	243,024	260,310	—	160,360	420,670	200,000	5 a) } 6 b) }	196,670	414,360	5 a) } 6 b) }	190,360	a) ordinary shares; b) preference shares.
—	—	30. 9. 28	1,419,080	794,062	625,018	—	2,892	627,910	540,000	6 a) } 10 b) }	80,550	602,490	6 a) } 10 b) }	55,130	a) ordinary shares; b) preference shares.
—	—	30. 9. 28	361,447	175,523	185,924	—	6,322	192,246	185,600	4	6,646	238,322	5	6,322	
—	—	30. 9. 28	283,559	134,770	148,789	—	724	149,513	136,000	4 a) } 6 b) }	8,473	190,282	5 a) } 6 b) }	10,202	a) ordinary shares; b) preference shares.
—	—	30. 9. 28	1,479,689	333,812	1,145,877	—	61,155	1,207,032	900,000	15 a) } 10 b) }	306,532	871,505	12 1/2 a) } 10 b) }	308,505	a) ordinary shares; b) preference shares.
—	—	31. 10. 28	1,245,347	670,782	574,565	—	25,911	600,476	480,000	12 a) }	120,476	588,024	12	108,024	
—	—	30. 9. 28	842,304	462,836	379,468	—	41,134	420,602	360,000	6 a) } 6 b) }	60,242	444,429	6 a) } 6 b) }	84,069	a) ordinary shares; b) preference shares.
—	—	31. 8. 28	545,464	252,939	292,525	—	29,232	321,757	264,600	7 a) } 6 b) }	56,857	228,966	5 a) } 6 b) }	39,666	a) ordinary shares; b) preference shares.
—	—	30. 9. 28	1,740,456	229,817	1,510,639	—	105,443	1,616,082	1,000,000	20 a) } 7 b) }	610,482	1,585,291	20 a) } 7 b) }	579,691	a) ordinary shares; b) preference shares.
—	—	31. 8. 28	441,493	157,678	283,815	—	61,193	345,008	281,837	9	63,171	242,700	7	61,193	
96,540,500	5,774,214	—	89,370,582	34,479,641	55,092,036	201,095	5,134,449 —4,485,833	60,007,027 —4,467,470	45,572,644	9.87	14,434,383 —4,467,470	53,054,904	9.04	13,147,999	
96,540,500	5,774,214	—	89,370,582	34,479,641	55,092,036	201,095	648,616	55,539,557	45,572,644	9.87	9,966,913	53,054,904	9.04	13,147,999	

III. Heavy Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits (2)	Amortisation effected	Balance sheet results	
						Debt capital	Annuity				Net profit on the business year	Loss on the business year
1	»Eintracht« Braunkohlenwerke und Brikettfabriken A.G.	Welzow N. L.	24,000,000	3,863,123	5,086,468	—	—	31. 12. 28	6,601,869	4,024,595	2,577,274	—
2	Ilse Bergbau A. G.	Grube Ilse N. L.	50,000,000*	12,853,016	4,970	—	—	31. 12. 28	13,156,735	6,095,441	7,061,294	—
3	Essener Steinkohlenbergwerke A. G.	Essen	52,500,000	8,585,000	2,594,936	—	—	31. 12. 28	8,219,961	3,842,021	4,377,940	—
4	Buderus'sche Eisenwerke	Wetzlar	26,300,000	2,630,000	1,573,834	—	—	31. 12. 28	2,472,242	1,413,275	1,058,967	—
5	Harpener Bergbau A. G.	Dortmund	100,300,000	3,844,285	10,887,596	—	—	31. 12. 28	10,303,901	10,268,423	35,478	—
6	Braunkohlen- u. Brikettwerke Roddergrube A. G.	Brühl	18,000,000	5,000,000	—	—	—	31. 12. 28	9,291,964	4,006,167	5,285,797	—
7	Niederlausitzer Kohlenwerke	Berlin	24,200,000	3,293,690	74,801	—	—	31. 12. 28	7,856,552	5,268,346	2,588,206	—
8	Vereinigte Stahlwerke Aktiengesellschaft	Düsseldorf	800,000,000	388,088,000	647,674,000	—	—	30. 9. 28	134,704,000	86,820,000	47,884,000	—
9	»Mansfeld« Aktiengesellschaft für Bergbau u. Hüttenbetrieb	Eisleben	37,875,000	6,265,000	14,262,172	—	—	31. 12. 28	7,109,412	4,340,701	2,768,711	—
10	Schlesische Bergwerks- und Hütten A. G.	Beuthen O./S.	16,667,000	1,700,000	—	—	—	31. 12. 28	3,708,847	1,500,000	2,208,847	—
11	Kaliwerke Aschersleben	Aschersleben	15,824,000	1,946,051	11,483,876	—	—	31. 12. 28	3,853,035	1,591,748	2,261,287	—
12	Deutsche Erdöl A. G.	Berlin	100,400,000	10,040,000	4,526,581	—	—	31. 12. 28	11,267,220	4,997,340	6,269,880	—
13	Aktien-Gesellschaft für Bergbau, Blei- und Zinkfabrikation zu Stolberg und in Westfalen	Aachen	14,300,800	1,430,100	5,100,000	—	—	31. 12. 28	1,827,767	924,931	902,856	—
14	Vereinigte Oberschlesische Hüttenwerke A. G.	Gleiwitz O. S.	30,000,000	3,000,000	38,882,580	—	—	30. 9. 28	6,037,042	5,693,165	343,877	—
15	Kaliwerke Salzdettfurth A. G.	Bad Salzdettfurth	16,100,000	1,610,000	10,131,640	—	—	31. 12. 28	4,264,740	645,746	3,618,994	—
16	A. G. Konsolidierte Alkaliwerke	Westeregeln	16,650,000	1,700,000	4,836,377	—	—	31. 12. 28	3,447,061	1,187,411	2,259,650	—
17	Friedr. Krupp A. G.	Essen	160,000,000	74,665,098	89,086,247	—	—	30. 9. 28	16,711,789	10,734,579	5,977,210	—
18	Phönix A. G. für Braunkohlenverwertung	Berlin	8,700,000	3,353,780	558,478	—	—	31. 12. 28	1,420,609	838,838	581,771	—
19	Oberschlesische Eisenbahn-Bedarf A. G.	Gleiwitz O./S.	27,792,000	1,404,803	1,729,354	—	—	30. 9. 28	1,778,017	770,000	1,008,017	—
20	Mitteldeutsche Stahlwerke	Berlin	50,000,000	5,000,000	25,000,000	—	—	30. 9. 28	7,317,026	3,657,334	3,659,692	—
21	Bergbau-Aktiengesellschaft Lothringen	Hannover	80,000,000	200,000	20,193,104	—	—	31. 12. 28	3,652,833	3,545,836	106,997	—
22	Bergwerksgesellschaft Dahlbusch A. G.	Gelsenkirchen	15,000,000	162,000	182,041	—	—	31. 12. 28	2,369,627	1,350,939	1,018,688	—
23	Magdeburger Bergwerks A. G.	Magdeburg	10,949,000	1,095,000	—	—	—	31. 12. 28	2,295	975,385	—	973,090
24	Stahl- und Walzwerk Hennigsdorf A. G.	Berlin	8,000,000	1,181,596	3,263,553	—	—	30. 9. 28	761,454	759,820	1,634	—
25	Braunschweigische Kohlen-Bergwerke	Helmstedt	12,750,000	1,275,000	18,073	—	—	31. 12. 28	2,866,417	1,389,499	1,476,918	—
26	Mannesmannröhren Werke	Düsseldorf	185,263,800	18,313,045	2,514,967	—	—	31. 12. 28	19,355,091	8,833,105	10,521,986	—
			1,901,571,600	562,498,587	899,665,648	347,906,572	20,874,394	—	290,357,506	175,474,645	115,855,951	973,090

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

III. Heavy Industry.

IV. III.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
31. 12. 28	6,601,869	4,024,595	2,577,274	—	145,800	2,723,074	2,400,000	10	323,074	2,705,800	10	305,800	* plus 33,400,000 RM. bonus shares (Genussscheine). a) ordinary shares; b) bonus shares; c) preference shares.
31. 12. 28	13,156,735	6,095,441	7,061,294	—	132,211	7,193,505	2,800,000	10 a)	403,505	6,012,495	8 a)	500,495	
							3,340,000	10 b)			8 b)		
							650,000	6 1/2 c)			6 c)		
31. 12. 28	8,219,961	3,842,021	4,377,940	—	302,676	4,680,616	4,200,000	8	480,616	4,736,008	8	536,008	a) ordinary shares; b) preference shares.
31. 12. 28	2,472,242	1,413,275	1,058,967	—	1,030,503	2,089,470	927,005	5 a)	1,147,465	1,972,508	5 a)	1,030,503	
							15,000	5 b)			5 b)		
31. 12. 28	10,303,901	10,268,423	35,478	—	783,436	818,914	—	0 a)	800,914	6,337,301	6 a)	1,219,301	a) ordinary shares; b) preference shares.
							18,000	6 b)			6 b)		
31. 12. 28	9,291,964	4,006,167	5,285,797	—	113,679	5,399,476	4,860,000	27	539,476	5,349,468	27	489,468	
31. 12. 28	7,856,552	5,268,346	2,588,206	—	155,266	2,743,472	2,400,000	10 a)	331,472	2,711,266	10 a)	299,266	
							12,000	6 b)			6 b)		
30. 9. 28	134,704,000	86,820,000	47,884,000	—	4,612,000	52,496,000	48,000,000	6	4,496,000	52,938,000	6	4,938,000	
31. 12. 28	7,109,412	4,340,701	2,768,711	—	106,223	2,874,934	2,625,000	7 a)	210,056	2,864,897	7 a)	200,019	a) ordinary shares; b) preference shares; c) bonus shares (Genussscheine.)
							22,500	6 b)			6 b)		
							17,378	2 c)			2 c)		
31. 12. 28	3,708,847	1,500,000	2,208,847	—	374,885	2,583,232	1,666,700	10	916,532	3,197,233	12	1,197,233	a) ordinary shares; b) preference shares
31. 12. 28	3,853,035	1,591,748	2,261,287	—	162,468	2,423,755	1,550,000	10 a)	854,315	1,731,908	10 a)	162,468	
							19,440	6 b)			6 b)		
31. 12. 28	11,267,220	4,997,340	6,269,880	—	630,255	6,900,135	6,000,000	6 a)	876,135	8,343,150	7 a)	1,315,150	a) ordinary shares; b) preference shares.
							24,000	6 b)			7 b)		
31. 12. 28	1,827,767	924,931	902,856	—	6,996	909,832	810,048	6 a)	67,784	905,136	6 a)	63,088	a) ordinary shares; b) preference shares.
							32,000	4 b)			4 b)		
30. 9. 28	6,037,042	5,693,165	343,877	—	222,122	565,999	—	0	565,999	222,122	0	222,122	a) ordinary shares; b) preference shares.
31. 12. 28	4,264,740	645,746	3,618,994	—	181,411	3,800,405	2,400,000	15 a)	1,394,405	2,587,411	15 a)	181,411	
							6,000	6 b)			6 b)		
31. 12. 28	3,447,061	1,187,411	2,259,650	—	170,560	2,430,210	1,650,000	10 a)	771,210	1,829,560	10 a)	170,560	a) ordinary shares; b) preference shares.
							9,000	6 b)			6 b)		
30. 9. 28	16,711,789	10,734,579	5,977,210	—	1,036,674	7,013,884	—	0	7,013,884	13,036,674	0	13,036,674	a) ordinary shares; b) preference shares.
31. 12. 28	1,420,609	838,838	581,771	—	6,531	588,302	510,000	6 a)	66,302	575,863	6 a)	53,863	
							12,000	6 b)			6 b)		
30. 9. 28	1,778,017	770,000	1,008,017	—	81,937	1,089,954	926,150	5 a)	158,284	946,456	5 a)	148,520	a) ordinary shares; b) preference shares.
							5,520	6 b)			6 b)		
30. 9. 28	7,317,026	3,657,334	3,659,692	—	131,016	3,790,708	3,500,000	7	290,708	3,721,859	7	221,859	a) ordinary shares; b) preference shares.
31. 12. 28	3,652,833	3,545,836	106,997	—	93,003	200,000	—	0	200,000	293,003	0	293,003	
31. 12. 28	2,369,627	1,350,939	1,018,688	—	5,441	1,024,129	720,000	6 a)	94,129	795,441	5 a)	45,441	
							210,000	7 b)			5 b)		
31. 12. 28	2,295	975,385	—	973,090	— 1,138,690	— 2,111,780	—	0	— 2,111,780	— 1,138,690	0	— 1,138,690	a) ordinary shares; b) preference shares A; c) preference shares B.
30. 9. 28	761,454	759,820	1,634	—	8,706	10,340	—	0	10,340	8,706	0	8,706	
31. 12. 28	2,866,417	1,389,499	1,476,918	—	119,990	1,596,908	1,275,000	10	321,908	1,577,728	10	302,728	
31. 12. 28	19,355,091	8,833,105	10,521,986	—	3,201,666	13,723,652	9,799,986	7 a)	3,907,826	15,786,572	5 b)	4,220,750	
							15,840	6 b)			6 a)		
							—	0 c)			7 c)		
—	290,357,506	175,474,645	115,855,951	973,090	13,814,955	129,670,906	103,428,567	—	26,242,339	141,186,565	—	31,162,439	
					— 1,138,690	— 2,111,780			— 2,111,780	— 1,138,690		— 1,138,690	

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year
						Debenture capital	Annuity				
			1,901,571,600	562,498,587	899,665,648	347,906,572	20,874,394	—	290,357,506	175,474,645	115,855,951
27	Norddeutsche Hütte A. G.	Bremen-Oslebshausen	9,000,000	1,800,000	—	—	—	31. 12. 28	817,037	822,748	—
28	Deutsche Petroleum A. G.	Berlin	35,000,000	3,726,691	—	—	—	31. 12. 28	1,937,492	1,326,815	610,677
29	Klöcknerwerke Aktiengesellschaft	Berlin	110,000,000	18,625,016	48,934,077	—	—	30. 6. 28	14,166,892	8,345,127	5,821,765
30	Eisen- u. Stahlwerk Hoesch A. G.	Dortmund	71,350,000	26,494,394	18,000,000	—	—	30. 6. 28	10,563,472	6,440,341	4,123,131
31	Stahlwerke Röchling-Buderus A. G.	Wetzlar	3,000,000	1,850,930	387,877	—	—	31. 12. 28	426,606	406,150	20,456
32	Gebr. Böhler & Co. A. G.	Berlin	5,000,000	2,855,000	3,524	—	—	30. 6. 28	858,316	396,659	461,657
33	Preussengrube A. G.	Berlin	12,000,000	1,200,000	—	—	—	31. 12. 28	1,549,548	945,691	603,857
34	Kokswerke u. Chemische Fabriken A. G.	Berlin	90,300,000	10,630,000	8,414,039	—	—	31. 12. 28	9,557,716	3,725,021	5,832,695
35	Braunkohlenwerke Borna A. G.	Borna Bez. Leipzig	8,000,000	3,358,299	69,526	—	—	31. 12. 28	1,393,591	689,470	704,121
36	Eschweiler Bergwerksverein	Kohlscheid	22,800,000	4,849,545	20,283,439	—	—	30. 6. 28	7,109,534	3,801,223	3,308,311
37	Köln-Neuessener Bergwerksverein	Essen-Altenessen	71,410,000	21,908,115	—	—	—	30. 6. 28	7,193,201	2,731,482	4,461,719
38	Bergbau- u. Hütten-Aktien-Gesellschaft »Friedrichshütte«	Herdorf	4,000,000	540,000	—	—	—	30. 6. 28	370,480	302,471	68,009
39	Geisweider Eisenwerke A. G.	Geisweid (Kr. Siegen)	4,500,000	379,186	—	—	—	30. 6. 28	569,196	210,899	358,297
40	Rheinisch-Westfälische Stahl- u. Walzwerke A. G.	Gelsenkirchen	6,500,000	2,651,459	85,315	—	—	31. 7. 28	1,242,913	643,879	599,034
41	Bergwerksgesellschaft Hibernia	Herne	56,000,000	10,285,700	1,010,625	—	—	31. 12. 28	5,140,251	5,105,131	35,120
42	Braunkohlen- u. Brikett-Industrie A. G. (Bubiag).....	Berlin	20,640,000	7,266,920	3,131,403	—	—	30. 6. 28	5,617,243	3,500,000	2,117,243
43	Bayerische Braunkohlen-Industrie A. G.	Schwandorf i. Bay.	5,414,400	549,742	—	—	—	31. 12. 28	192,311	192,311	—
44	Sächsische Gussstahl-Werke Döhlen A. G.	Dresden	7,000,000	870,723	4,000,000	—	—	30. 6. 28	1,709,373	1,260,727	448,646
45	Anhaltische Kohlenwerke	Halle a. S.	22,950,000	2,590,000	599,095	—	—	31. 12. 28	3,333,766	1,909,161	1,424,605
46	Gewerkschaften Dierhardt-Mevissen I-IV	Rheinhausen (Niederrhein)	14,150,000	—	9,221,535	—	—	31. 12. 28	1,015,515	1,001,381	14,134
47	Gutehoffnungshütte, Aktienverein für Bergbau und Hüttenbetrieb	Nürnberg	80,000,000	12,000,000	—	—	—	30. 6. 28	8,283,404	2,880,760	5,402,644
48	Eisenhüttenwerk Thale A. G.	Thale a. Harz	8,333,300	87,860	69,450	—	—	31. 12. 28	987,371	629,162	358,709
49	Oberbayerische A. G. für Kohlenbergbau	München	4,825,000	345,257	61,106	—	—	31. 12. 28	664,400	653,174	11,226
50	Essener Bergwerksverein König Wilhelm A. G.	Essen-Borbeck	8,500,000	11,296,723	—	—	—	31. 12. 28	2,040,387	986,642	1,053,745
51	Hubertus Braunkohlen-A. G.	Brüggen-Erfurt	4,300,000	3,334,079	180,913	—	—	31. 12. 28	936,246	655,860	280,386
52	Braunkohlenwerke Leonhard A. G.	Zipsendorf b. Zeitz	8,000,000	353,557	257,925	—	—	31. 12. 28	1,541,707	893,567	648,140
53	Borsigwerk A. G.	Borsigwerk (Deutsch-Oberschlesien)	17,500,000	1,635,578	2,147,693	—	—	31. 12. 28	3,773,114	3,773,114	—
			2,612,044,300	713,983,361	1,016,523,190	477,551,939	28,273,219	—	383,349,088	229,703,611	154,624,278

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

Reparation charge		Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Debtenture capital	Annuity	Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
347,906,572	20,874,394	—	290,357,506	175,474,645	115,855,951	973,090	13,814,955 — 1,138,690	129,670,906 — 2,111,780	103,428,567	—	26,242,339 — 2,111,780	141,186,565 — 1,138,690	—	31,162,439 — 1,138,690	
—	—	31. 12. 28	817,037	822,748	—	5,711	66,434	60,723	—	0	60,723	66,434	0	66,434	
—	—	31. 12. 28	1,937,492	1,326,815	610,677	—	1,050,705	1,661,382	1,400,000	4	261,382	1,050,705	0	1,050,705	
—	—	30. 6. 28	14,166,892	8,345,127	5,821,765	—	635,770	6,457,535	5,400,000	6 a)	607,535	7,232,129	7 a)	932,129	a) old shares; b) new shares.
—	—	30. 6. 28	10,563,472	6,440,341	4,123,131	—	369,635	4,492,766	450,000	3 b)			—		
—	—	30. 6. 28	10,563,472	6,440,341	4,123,131	—	369,635	4,492,766	3,529,500	6 1/2 a)	428,266	4,917,765	8 a)	558,765	a) ordinary shares; b) preference shares; c) new ordinary shares.
—	—	30. 6. 28	10,563,472	6,440,341	4,123,131	—	369,635	4,492,766	15,000	5 b)			5 b)		
—	—	30. 6. 28	10,563,472	6,440,341	4,123,131	—	369,635	4,492,766	520,000	3 1/4 c)	79,571	59,115	—	59,115	
—	—	31. 12. 28	426,606	406,150	20,456	—	59,115	79,571	—	0			0		
—	—	30. 6. 28	858,316	396,659	461,657	—	48,568	510,225	400,000	8	110,225	508,843	8	108,843	
—	—	31. 12. 28	1,549,548	945,691	603,857	—	5,619	609,476	600,000	5	9,476	605,619	5	5,619	
—	—	31. 12. 28	9,557,716	3,725,021	5,832,695	—	2,343,544	8,176,239	5,012,084	7 a)	2,464,155	7,235,297	6 a)	2,403,545	a) ordinary shares; b) bonus shares (Genußscheine).
—	—	31. 12. 28	1,393,591	689,470	704,121	—	23,060	727,181	700,000	7 b)			6 b)		
—	—	30. 6. 28	7,109,534	3,801,223	3,308,311	—	—	3,308,311	640,000	8	87,181	628,388	7	68,388	
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	3,192,000	14	116,311	3,311,455	14	119,455	
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	3,801,000	7 a)	427,088	5,493,282	9 a)	584,682	a) ordinary shares; b) preference shares I; c) new shares.
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	21,600	6 b)			6 b)		
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	560,000	3 1/2 c)	78,305	10,296	—	10,296	
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	—	0			0		
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	246,000	6 a)	98,527	340,269	6 a)	62,269	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	7,193,201	2,731,482	4,461,719	—	347,969	4,809,688	32,000	8 b)			8 b)		
—	—	31. 7. 28	1,242,913	643,879	599,034	—	87,860	686,894	520,000	8	168,894	687,060	8	167,060	
—	—	31. 12. 28	5,140,251	5,105,131	35,120	—	255,028	290,148	—	0 a)	290,148	2,535,028	4 a)	255,028	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	5,140,251	5,105,131	35,120	—	255,028	290,148	—	0 b)			4 1/2 b)		
—	—	30. 6. 28	5,617,243	3,500,000	2,117,243	—	376,957	2,494,200	2,000,000	10 a)	471,800	2,475,953	10 a)	453,553	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	192,311	192,311	—	—	—	—	22,400	7 b)			7 b)		
—	—	30. 6. 28	1,709,373	1,260,727	448,646	—	47,294	495,940	420,000	6	75,940	492,984	6	72,984	
—	—	31. 12. 28	3,333,766	1,909,161	1,424,605	—	177,423	1,602,028	1,296,000	6 a)	225,028	1,624,645	6 a)	247,645	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	3,333,766	1,909,161	1,424,605	—	177,423	1,602,028	81,000	6 b)			6 b)		
—	—	31. 12. 28	1,015,515	1,001,381	14,134	—	9,274	23,408	—	0	23,408	9,274	—	9,274	
—	—	30. 6. 28	8,283,404	2,880,760	5,402,644	—	517,445	5,920,089	5,600,000	7	320,089	5,317,445	6	517,445	
—	—	31. 12. 28	987,571	629,162	358,709	—	109,648	468,357	333,332	4	135,025	771,806	7	188,475	
—	—	31. 12. 28	664,400	653,174	11,226	—	—	11,226	—	0	11,226	8,972	0	8,972	
—	—	31. 12. 28	2,040,387	986,642	1,053,745	—	106,255	1,160,000	876,000	12 a)	80,000	1,287,032	12 a)	207,032	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	936,246	655,860	280,386	—	23,920	304,306	204,000	17 b)			17 b)		
—	—	31. 12. 28	1,541,707	893,567	648,140	—	6,670	654,810	234,000	6 a)	46,306	411,920	6 a)	153,920	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	1,541,707	893,567	648,140	—	6,670	654,810	24,000	6 b)			6 b)		
—	—	31. 12. 28	3,773,114	3,773,114	—	—	122,963	122,963	576,000	8 a)	74,816	564,748	7 a)	58,610	a) ordinary shares; b) bonus shares (Genußscheine).
—	—	31. 12. 28	3,773,114	3,773,114	—	—	122,963	122,963	3,994	4 b)			2 b)		
477,551,939	28,273,219	—	383,349,088	229,703,611	154,624,278	978,801	20,634,637 — 1,138,690	175,233,204 — 2,111,780	142,138,477	—	33,114,727 — 2,111,780	188,955,992 — 1,147,068	—	39,655,642 — 1,147,068	

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Balance sheet				
						Debenture capital	Annuity	Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss
			2,612,044,300	713,983,361	1,016,523,190	477,551,938	28,273,219	—	383,349,088	229,703,611	154,624,278	
54	Grube Leopold A. G.	Cöthen (Anhalt)	17,625,000	1,618,035	8,439,301	—	—	31. 12. 28	1,720,932	1,071,729	649,203	
55	Gewerkschaften Salzbergwerk Neu-Staßfurt u. Salzbergwerk Neu-Staßfurt II	Bitterfeld	12,000,000	—	5,779,677	—	—	31. 12. 28	554,647	319,924	234,723	
56	Capito & Klein A. G.	Benrath	3,000,000	300,000	—	—	—	30. 6. 28	173,832	134,522	39,310	
57	Ilseeder Hütte A. G.	Gr. Ilse	64,500,000	6,500,000	42,000,000	—	—	31. 12. 28	6,521,943	2,896,371	3,625,572	
58	Ruhrgas Aktiengesellschaft*)	Essen	25,000,000	209,466	50,400,000	—	—	31. 12. 28	— 596,214	609,804	—	
59	Hallesche Kaliwerke A. G.	Schleittau a. d. Saale	5,145,000	550,977	1,069,968	—	—	31. 12. 28	2,253,184	1,813,870	439,314	
60	»Sachtleben« A. G. für Bergbau und chemische Industrie	Köln	12,500,000	4,129,300	—	—	—	31. 12. 28	2,920,529	1,331,526	1,589,003	
61	Storch & Schöneberg A. G. für Bergbau und Hüttenbetrieb	Geisweid	7,320,000	52,000	140,457	—	—	31. 12. 28	401,217	401,217	—	
62	Oehringen Bergbau A. G.	Berlin	5,040,000	560,000	53,039	—	—	31. 12. 28	752,262	454,146	298,116	
63	Union-Gießerei	Contienen bei Königsberg i. Pr.	4,030,000	—	2,600,000	—	—	31. 12. 28	187,262	283,641	—	
64	Kölsch-Fölzer Werke A. G.	Siegen	6,386,100	730,000	—	—	—	30. 6. 28	484,375	191,600	292,775	
65	Concordia Bergbau-A. G.	Oberhausen (Rhld.)	20,000,000	61,700	13,667,203	—	—	31. 12. 28	1,508,612	1,518,700	—	
66	Hochofenwerk Lübeck A. G.	Herrenwyk bei Lübeck	12,300,000	1,260,000	6,936,886	—	—	30. 6. 28	2,874,254	1,579,527	1,294,727	
67	Prehlitzer Brannkohlen A. G.	Meuselwitz (Thür.)	2,406,000	240,600	—	—	—	31. 12. 28	773,449	390,246	383,203	
68	Mülheimer Bergwerks-Verein	Mülheim/Ruhr	20,000,400	1,978,721	—	—	—	31. 12. 28	1,484,538	—	1,484,538	
69	Kali-Industrie-A.-G.	Kassel	200,000,000	18,662,927	103,264,338	—	—	31. 12. 28	46,582,276	21,006,295	25,575,981	
70	Adler A. G. für Bergbau	Kupferdreh	7,275,000	2,154,307	4,800,450	—	—	31. 12. 28	210,509	1,260,319	—	
			3,036,571,800	752,991,394	1,255,674,509	526,054,438	31,161,880	—	452,752,909 — 596,214	264,967,048	190,530,743	
			3,036,571,800	752,991,394	1,255,674,509	526,054,438	31,161,880	—	452,156,695	264,967,048	190,530,743	

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
—	383,349,088	229,703,611	154,624,278	978,801	20,634,637 — 1,138,690	175,253,204 — 2,111,780	142,138,477	—	33,114,727 — 2,111,780	188,955,992 — 1,147,068	—	39,655,642 — 1,147,068	
31. 12. 28	1,720,932	1,071,729	649,203	—	155,354	804,557	700,000 7,500	4 a) 6 b)	97,057	171,425	0 6 b)	163,925	a) ordinary shares; b) preference shares.
31. 12. 28	554,647	319,924	234,723	—	41,183	275,906	250,000	a)	25,906	291,183	a)	41,183	a) 125 RM. on each share holding.
30. 6. 28	173,832	134,522	39,310	—	— 641,797	— 602,487	—	0	— 602,487	— 641,797	0	— 641,797	
31. 12. 28	6,521,943	2,896,371	3,625,572	—	11,003	3,636,575	3,520,000 6,815	5 1/2 a) 5 b)	109,760	4,332,280	6 1/2 a) 5 b)	165,465	a) ordinary shares; b) preference shares.
31. 12. 28	— 596,214	609,804	—	1,206,018	— 750,776	— 1,956,794	—	0	— 1,956,794	— 750,776	0	— 750,776	*) formerly A. G. für Kohlenverwertung.
31. 12. 28	2,253,184	1,813,870	439,314	—	912	440,226	432,000 6,750	15 a) 15 b)	1,476	293,412	10 a) 10 b)	912	a) ordinary shares; b) preference shares.
31. 12. 28	2,920,529	1,331,526	1,589,003	—	223,166	1,812,169	1,500,000	12	312,169	1,770,766	12	330,766	
31. 12. 28	401,217	401,217	—	—	100,223	100,223	—	0	100,223	304,023	5	121,023	
31. 12. 28	752,262	454,146	298,116	—	16,592	314,708	300,000 2,000	6 a) 5 b)	12,708	329,421	6 a) 5 b)	27,421	a) ordinary shares; b) preference shares.
31. 12. 28	187,262	283,641	—	96,379	— 492,740	— 589,119	—	0	— 589,119	— 674,991	0	— 674,991	
30. 6. 28	484,375	191,600	292,775	—	102,103	394,878	—	0 a) 7 b)	394,353	102,628	0 a) 7 b)	102,103	a) ordinary shares; b) preference shares.
31. 12. 28	1,508,612	1,518,700	—	10,088	75,205	65,117	— 525	0	65,117	1,204,905	6	136,905	
30. 6. 28	2,874,254	1,579,527	1,294,727	—	182,754	1,477,481	1,200,000 18,000	10 a) 6 b)	259,481	1,475,753	10 a) 6 b)	257,753	a) ordinary shares; b) preference shares.
31. 12. 28	773,449	390,246	383,203	—	17,368	400,571	360,000 600	15 a) 10	39,971	517,968	15 a) 10 b)	157,368	a) ordinary shares; b) preference shares.
31. 12. 28	1,484,538	—	1,484,538	—	30,874	1,515,412	1,400,028	7	115,384	1,527,282	7	127,254	
31. 12. 28	46,582,276	21,006,295	25,575,981	—	115,624	25,691,605	24,000,000	12	1,691,605	14,515,624	12 a)	115,624	a) on 120,000,000 RM.
31. 12. 28	210,509	1,260,319	—	1,049,810	— 258,695	— 1,308,505	—	0	— 1,308,505	— 794,796	0	— 794,796	
—	452,752,909 — 596,214	264,967,048	190,530,743	3,341,096	21,706,998 — 3,282,698	212,182,632 — 6,568,685	175,842,695	5,79	36,339,937 — 6,568,685	215,792,662 — 1,009,428	6,08	41,403,344 — 1,009,428	
—	452,156,695	264,967,048	190,530,743	3,341,096	18,424,300	205,613,947	175,842,695	5,79	29,771,252	211,783,234	6,08	37,393,916	

IV. Chemical Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or 1928							
						Debenture capital	Annuity	Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed
1	I. G. Farbenindustrie A. G.	Frankfurt a. M.	1,100,000,000	188,291,356	250,471,765	—	—	31. 12. 28	190,234,697	71,776,528	118,458,169	—	4,426,778	122,884,947	95,915,72
2	A. G. Georg Egestorff's Salzwerke und Chemische Fabriken	Hannover	4,507,000	450,700	—	—	—	31. 12. 28	532,592	200,000	332,592	—	41,484*	374,076	323,96
3	Saccharin-Fabrik A. G. vorm. Fahlberg, List & Co. ...	Magdeburg	10,572,000	1,057,200	3,000,000	—	—	31. 12. 28	1,088,604	474,348	614,256	—	24,756	639,012	600,00
4	Zellstofffabrik Waldhof A. G.	Mannheim	34,675,000	10,486,863	19,659,476	—	—	31. 12. 28	7,952,660	3,543,052	4,409,608	—	330,977	4,740,585	4,020,00
5	Chemische Werke vorm. H. & E. Albert	Amöneburg Wiesbaden-Biebrich	7,542,750	1,554,275	—	—	—	31. 12. 28	575,390	496,575	78,815	—	145,877	224,692	—
6	F. Thörl's Vereinigte Harburger Oelfabriken A. G. ...	Hamburg	14,000,000	1,000,000	—	—	—	31. 12. 28	2,362,808	1,329,602	1,033,206	—	126,425	1,159,631	840,00
7	Aktiengesellschaft für Chemische Produkte, vormals H. Scheidemandel	Berlin	10,000,000	1,000,000	1,301,458	—	—	30. 9. 28	973,306	208,730	764,576	—	502,945	1,267,521	500,00
8	Verein für chemische Industrie A. G.	Frankfurt a. M.	6,507,500	1,324,766	138,396	—	—	31. 12. 28	623,183	167,462	455,721	—	97,091	552,812	455,00
9	Guano-Werke, Aktiengesellschaft (vorm. Ohlendorff'sche und Merck'sche Werke)	Hamburg	5,605,000	560,500	43,685	—	—	31. 12. 28	439,424	192,770	246,654	—	8,271	254,925	224,00
10	Th. Goldschmidt A. G.	Essen	29,300,000	2,930,000	405,524	—	—	31. 12. 28	1,679,278	578,036	1,101,242	—	50,532	1,151,774	1,030,00
11	Chemische Fabrik von Heyden A. G.	Radebeul bei Dresden	14,840,000	1,907,703	431,790	—	—	31. 12. 28	1,370,057	576,956	793,101	—	32,386	825,487	736,00
12	Schering-Kahlbaum A. G.	Berlin	30,000,000	5,392,965	373,989	—	—	31. 12. 28	6,088,522	2,057,134	4,031,388	—	2,154,419	6,185,807	3,755,50
13	Kalle & Co. A. G.	Wiesbaden-Biebrich	6,000,000	1,000,000	317,900	—	—	31. 12. 28	679,182	238,407	440,775	—	149,376	590,151	420,00
14	Deutsche Solvay-Werke A. G.	Bernburg	75,000,000	4,655,300	2,758,500	—	—	31. 12. 28	8,271,771	—	8,271,771	—	—	8,271,771	6,000,00
15	»Union« Fabrik chemischer Produkte	Stettin	6,150,000	615,000	2,816	—	—	31. 12. 28	425,894	407,793	18,101	—	62,884	80,985	—
16	Rütgerswerke A. G.	Berlin	80,000,000	8,466,634	—	—	—	31. 12. 28	7,042,279	2,428,024	4,614,255	—	111,666	4,725,921	4,440,00
17	Dynamit A. G. vorm. Alfred Nobel & Co.	Hamburg	37,625,000	7,077,708	—	—	—	31. 12. 28	2,495,062	763,835	1,731,227	—	91,054	1,822,281	1,682,40
18	Chemische Fabrik Buckau	Ammendorf	8,500,000	850,000	3,941,871	—	—	31. 12. 28	1,281,916	755,485	526,431	—	64,845	591,276	510,00
19	Kali-Chemie	Berlin	32,000,000	3,200,000	865,450	—	—	31. 12. 28	3,682,041	2,187,978	1,494,063	—	66,473	1,560,536	1,365,00
20	J. D. Riedel — E. de Haën A. G.	Berlin	10,000,000	114,277	481,988	—	—	31. 12. 28	801,013	310,125	490,888	—	—	490,888	280,00
21	Westfälisch-Anhaltische Sprengstoff A. G. Chemische Fabriken	Berlin	8,000,000	3,000,000	5,489	—	—	31. 12. 28	1,838,583	843,286	995,297	—	572,485	1,567,782	846,72
22	Fritz Schulz jun. A. G.	Leipzig	4,406,000	60,000	—	—	—	31. 12. 28	263,438	129,067	134,371	—	33,932	168,303	132,00
23	A. G. der Chemischen Produkten-Fabriken Pommerensdorf-Milch	Stettin	6,820,000	682,000	160,000	—	—	31. 12. 28	744,079	419,712	324,367	—	51,146	375,513	336,00
24	Rheinisch-Westfälische Sprengstoff A. G.	Köln	14,160,000	1,584,196	124,757	—	—	31. 12. 28	2,786,619	2,414,154	372,465	—	—	372,465	348,70
			1,556,210,250	247,261,443	284,484,854	305,188,500	18,311,310	—	244,232,398	92,499,059	151,733,339	—	9,145,802	160,879,141	125,003,00

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

IV. Chemical Industry.

IV. IV₁.

Date balance sheet	Balance sheet results for 1927-28 or 1928									Comparison with the business year 1926-27 or 1927			Observations
	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought for- ward from the preceding busi- ness year	Net profit plus balance brought forward	Dividend distributed	Percent- age	Balance in hand ³	Net profit plus balance brought forward	Divi- dend distrib- uted	Balance in hand ³	
12. 28	190,234,697	71,776,528	118,458,169	—	4,426,778	122,884,947	95,915,736	12 a) 0 b)	26,969,211	103,208,873	12 a) 0 b)	7,613,297	a) ordinary shares; b) preference shares.
12. 28	532,592	200,000	332,592	—	41,484*	374,076	323,964 420	8 a) 6 b)	49,692	375,867	8 a) 6 b)	51,483	a) ordinary shares; b) preference shares.
12. 28	1,088,604	474,348	614,256	—	24,756	639,012	600,000 5,760	8 a) 8 b)	33,252	787,716	10 a) 8 b)	31,956	a) ordinary shares; b) preference shares.
12. 28	7,952,660	3,543,052	4,409,608	—	330,977	4,740,585	4,020,000 49,000 109,500 26,550 8,850	13 1/2 a) 7 b) 6 c) 4 1/2 d) 1 1/2 e)	526,685	3,733,077	12 a) 7 b) 6 c) 6 d)	530,977	a) ordinary shares; b) preference shares A; c) preference shares B; d) bonus shares (Genußscheine); e) amortisation of bonus shares.
12. 28	575,390	496,575	78,815	—	145,877	224,692	—	0 a) 0 b)	224,692	145,877	0 a) 0 b)	145,877	a) ordinary shares; b) preference shares.
12. 28	2,362,808	1,329,602	1,033,206	—	126,425	1,159,631	840,000	6	319,631	1,174,425	6	334,425	
9. 28	973,306	208,730	764,576	—	502,945	1,267,521	500,000	5	767,521	502,945	0	502,945	
12. 28	623,183	167,462	455,721	—	97,091	552,812	455,000 600 1,210	7 a) 8 b) 2 c)	96,002	559,901	7 a) 8 b) 2 c)	103,091	a) ordinary shares; b) preference shares; c) bonus shares (Genußscheine).
12. 28	439,424	192,770	246,654	—	8,271	254,925	224,000 300	4 a) 6 b)	30,625	258,571	4 a) 6 b)	34,271	a) ordinary shares; b) preference shares.
12. 28	1,679,278	578,036	1,101,242	—	50,532	1,151,774	1,030,000 18,000	5 a) 6 b)	103,774	1,153,532	5 a) 6 b)	75,532	a) ordinary shares; b) preference shares.
12. 28	1,370,057	576,956	793,101	—	32,386	825,487	736,000 8,400	5 a) 7 b)	81,087	856,786	5 a) 7 b)	112,386	a) ordinary shares; b) preference shares.
12. 28	6,088,522	2,057,134	4,031,388	—	2,154,419	6,185,807	3,755,500	14	2,430,307	4,654,419	9,6	2,254,419	
12. 28	679,182	238,407	440,775	—	149,376	590,151	420,000	7	170,151	455,092	5	155,092	
12. 28	8,271,771	—	8,271,771	—	—	8,271,771	6,000,000	8	2,271,771	—	0	—	
12. 28	425,894	407,793	18,101	—	62,884	80,985	— 9,000	0 a) 6 b)	71,985	311,883	4 a) 6 b)	62,883	a) ordinary shares; b) preference shares.
12. 28	7,042,279	2,428,024	4,614,255	—	111,666	4,725,921	4,440,000	6*	285,921	4,716,110	6*	276,110	* on the 74,000,000 R.M. of paid up capital.
12. 28	2,495,062	763,835	1,731,227	—	91,054	1,822,281	1,682,460	6	139,821	1,822,355	6	139,823	
12. 28	1,281,916	755,485	526,431	—	64,845	591,276	510,000	6	81,276	514,845	5	89,845	
12. 28	3,682,041	2,187,978	1,494,063	—	66,473	1,560,536	1,365,000	7	195,536	1,100,334*	5	125,334	* Kaliwerke Neu-Stassfurt Friedrichshall A. G., Berlin.
12. 28	801,013	310,125	490,888	—	—	490,888	280,000	4*	210,888	— 37,194*	0	— 37,194	* Rhenania-Kunheim Verein Chemischer Fabriken A. G., Berlin.
12. 28	—	—	—	—	—	—	—	—	—	12,987	0	12,987	* on 6,000,000 R.M. for 6 months.
12. 28	1,838,583	843,286	995,297	—	572,485	1,567,782	846,720	12	721,062	1,246,261	12	646,261	
12. 28	263,438	129,067	134,371	—	33,932	168,303	132,000 480	3 a) 8 b)	35,823	176,412	3 a) 8 b)	43,932	a) ordinary shares; b) preference shares.
12. 28	744,079	419,712	324,367	—	51,146	375,513	336,000 4,000	5 a) 4 b)	35,513	323,946	4 a) 4 b)	51,146	a) ordinary shares; b) preference shares.
12. 28	2,786,619	2,414,154	372,465	—	—	372,465	348,787	4,8	23,678	371,572	4,8	25,225	
—	244,232,398	92,499,059	151,733,339	—	9,145,802	160,879,141	125,003,237	—	35,875,904	128,463,786 — 37,194	—	13,419,297 — 37,194	

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits ²	Amortisation effected	Net profit ³
						Debtenture capital	Annuity				
			1,556,210,250	247,261,443	284,484,854	305,188,500	18,311,310	—	244,232,398	92,499,059	151,7
25	Lingner-Werke A. G.	Dresden	6,400,000	504,000	1,140,818	—	—	31. 12. 28	580,165	114,378	4
26	A. G. Lignose	Berlin	5,000,000	478,689	6,875	—	—	31. 12. 28	756,130	292,080	4
27	Gehe & Co. A. G.	Dresden	4,256,000	760,000	1,219,189	—	—	31. 12. 28	185,540	166,058	
28	Bayerische Stickstoff-Werke A. G.	München	12,000,000	668,523	26,498	—	—	31. 12. 28	2,162,238	1,107,888	1,0
29	Vereinigte Ultramarinfabriken A. G. vormals Leverkus, Zeltner & Consorten	Köln a. Rh.	5,460,000	546,000	—	—	—	30. 6. 28	911,920	198,354	7
30	Hageda, Handelsgesellschaft Deutscher Apotheker A. G. in	Berlin	6,010,000	601,000	209,800	—	—	31. 12. 28	708,717	45,755	6
			1,595,336,250	250,819,655	287,088,034	313,474,500	18,799,920	—	249,537,108	94,423,572	155,1
			1,595,336,250	250,819,655	287,088,034	313,474,500	18,799,920	—	249,537,108	94,423,572	155,1

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

V. Electrical Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or 1928						
						Debenture capital	Annuity	Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward
1	Siemens-Schuckert A. G.	Berlin	120,000,000	23,000,000	54,547,830	—	—	30. 9. 28	17,269,649	1,689,608	15,580,041	—	980,373	16,560,414
2	Siemens u. Halske A. G.	Berlin	97,500,000	37,500,000	53,753,156	—	—	30. 9. 28	16,533,562	597,097	15,936,465	—	2,516,569	18,453,034
3	Vereinigte Elektrizitätswerke Westfalen G. m. b. H. ..	Dortmund-Bochum-Münster	60,000,000	63,926,842	93,076,091	—	—	31. 12. 28	14,861,787	7,100,000	7,761,787	—	56,998	7,818,785
4	Allgemeine Elektrizitäts-Ges.	Berlin	186,250,000	22,620,000	150,980,441	—	—	30. 9. 28	25,154,140	9,130,457	16,023,683	—	479,292	16,502,975
5	Elektrizitätswerk Südwest A. G.	Berlin	40,000,000	6,971,321	1,311,100	—	—	31. 12. 28	5,237,113	1,952,396	3,284,717	—	33,669	3,318,386
6	Bayerische Elektrizitäts-Lieferungs-Gesellschaft A. G.	Bayreuth	15,000,000	2,721,861	417,450	—	—	31. 12. 28	1,684,482	513,687	1,170,795	—	32,736	1,203,531
7	Sächsische Elektrizitäts-Lieferungs-Gesellschaft A. G.	Siegmars	32,000,000	16,787,058	6,849,015	—	—	31. 12. 28	5,083,176	2,635,458	2,447,718	—	8,640	2,456,358
8	Elektrizitätswerk Schlesien A. G.	Breslau	30,300,000	7,014,108	28,134,000	—	—	31. 12. 28	3,944,254	1,300,000	2,644,254	—	69,468	2,713,722
9	Elektrizitäts-Lieferungs-Gesellschaft	Berlin	40,040,000	10,739,058	3,681,300	—	—	31. 12. 2	4,673,459	938,544	3,734,915	—	54,347	3,789,262
10	Kraftübertragungswerke Rheinfelden	Rheinfelden	12,000,000	6,707,170	11,745,000	—	—	31. 12. 28	2,391,710	1,000,000	1,391,710	—	64,932	1,456,642
11	Elektra Aktiengesellschaft	Dresden	15,000,000	3,500,000	—	—	—	31. 12. 28	1,823,801	—	1,823,801	—	91,438	1,915,239
12	Bergmann Elektrizitäts-Werke A. G.	Berlin	44,000,000	7,550,000	2,178,294	—	—	31. 12. 28	5,172,654	1,207,440	3,965,214	—	516,518	4,481,732
13	Fraenkisches Ueberlandwerk Aktiengesellschaft	Nürnberg	7,205,000	7,945,436	—	—	—	31. 12. 28	890,815	367,045	523,770	—	21,400	545,170
14	Mix & Genest A. G.	Berlin-Schöneberg	16,185,000	1,405,438	3,971,681	—	—	31. 12. 28	1,457,704	327,878	1,129,826	—	21,046	1,150,872
15	A. G. Sächsische Werke	Dresden	100,000,000	73,700,000	127,207,692	—	—	31. 12. 28	4,326,706	635,535	3,691,171	—	136,597	3,827,768
16	Sachsenwerk, Licht- u. Kraft A. G.	Dresden-Niedersedlitz	19,150,000	3,000,000	5,290,494	—	—	31. 12. 28	2,135,332	790,724	1,344,608	—	82,413	1,427,021
17	Lech-Elektrizitätswerke A. G.	Augsburg	40,532,400	13,780,141	9,424,884	—	—	31. 12. 28	5,079,945	1,658,269	3,421,676	—	23,578	3,445,254
18	Neckarwerke A. G.	EBlingen a. N.	20,000,000	6,324,831	8,492,493	—	—	31. 12. 28	3,004,594	1,000,000	2,004,594	—	139,865	2,144,459
19	Großkraftwerke Franken A. G.	Nürnberg	7,313,000	6,472,657	1,306,059	—	—	31. 12. 28	1,884,278	1,219,077	665,201	—	20,550	685,751
20	Main Kraftwerke A. G.	Frankfurt a. M.-Höchst	22,400,000	6,343,000	7,881,100	—	—	31. 12. 28	2,751,647	861,300	1,890,347	—	15,310	1,905,657
21	Kommunales Elektrizitätswerk Mark A. G.	Hagen i. W.	12,000,000	1,265,000	16,458,951	—	—	31. 12. 28	4,266,830	3,211,945	1,054,885	—	2,791	1,057,676
22	Rheinisch-Westfälisches Elektrizitätswerk A. G.	Essen	155,000,000	30,395,125	103,771,678	—	—	30. 6. 28	31,907,384	16,585,426	15,321,958	—	11,281	15,333,239
			1,091,875,400	359,669,046	690,480,739	173,741,180	10,315,491	—	161,535,022	54,721,886	106,813,136	—	5,379,811	112,192,947

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

V. Electrical Industry.

IV. V.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations	
Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand ³	Net profit plus balance brought forward	Dividend distributed	Balance in hand ³		
30. 9. 28	17,269,649	1,689,608	15,580,041	—	980,373	16,560,414	12,000,000	10	4,560,414	14,780,373	9	3,980,373	* a part of which, i. e. 3,040,848 R.M. has to be assigned to the communes.	
30. 9. 28	16,533,562	597,097	15,936,465	—	2,516,569	18,453,034	12,740,000	14	5,713,034	18,851,249	12	7,931,249		
31. 12. 28	14,861,787	7,100,000	7,761,787	—	56,998	7,818,785	3,758,080	8	4,060,705 *	6,804,719	7	3,864,719		
30. 9. 28	25,154,140	9,130,457	16,023,683	—	479,292	16,502,975	11,612,928	8a)	2,749,347	12,351,011	8a)	685,311	a) ordinary shares; b) preference shares A; c) preference shares B; d) bonus shares (Genusscheine).	
							1,050,000	6b)			6b)			
							937,500	5c)			5c)			
							153,200	d)			d)			
31. 12. 28	5,237,113	1,952,396	3,284,717	—	33,669	3,318,386	3,000,000	7 1/2 a)	308,343	3,593,663	9a)	422,070	a) ordinary shares; b) bonus shares (Genusscheine).	
							10,043	b)			b)			
31. 12. 28	1,684,482	513,687	1,170,795	—	32,736	1,203,531	1,050,000	7a)	150,893	1,016,189	7a)	124,551	a) ordinary shares; b) bonus shares (Genusscheine).	
							2,638	b)			b)			
31. 12. 28	5,083,176	2,635,458	2,447,718	—	8,640	2,456,358	2,200,000	8	256,358	2,204,196	8	124,196		
31. 12. 28	3,944,254	1,300,000	2,644,254	—	69,468	2,713,722	2,400,000	8a)			8a)			
							18,000	6b)	295,722	2,727,288	6b)	309,288	a) ordinary shares; b) preference shares.	
31. 12. 2	4,673,459	938,544	3,734,915	—	54,347	3,789,262	3,500,000	10a)			10a)			
							2,400	6b)	211,682	3,231,727	6b)	153,136	a) ordinary shares; b) preference shares; c) bonus shares (Genusscheine).	
							75,180	6c)			6c)			
31. 12. 28	2,391,710	1,000,000	1,391,710	—	64,932	1,456,642	1,200,000	10	256,642	1,451,540	10	251,540		
31. 12. 28	1,823,801	—	1,823,801	—	91,438	1,915,239	1,800,000	12			12			
31. 12. 28	5,172,654	1,207,440	3,965,214	—	516,518	4,481,732	3,960,000	9	521,732	4,476,518	9	516,518		
31. 12. 28	890,815	367,045	523,770	—	21,400	545,170	504,000	7a)			7a)			
							300	6b)	40,870	537,312	6b)	33,012	a) ordinary shares; b) preference shares.	
31. 12. 28	1,457,704	327,878	1,129,826	—	21,046	1,150,872	1,020,000	8a)			9a)			
							8,850	6b)	122,022	805,167	6b)	56,967	a) ordinary shares; b) preference shares.	
31. 12. 28	4,326,706	635,535	3,691,171	—	136,597	3,827,768	2,000,000	10a)			10a)			
							1,000,000	5b)	827,768	3,786,597	5b)	786,597	a) ordinary shares A; b) ordinary shares B;	
31. 12. 28	2,135,332	790,724	1,344,608	—	82,413	1,427,021	825,000	7 1/2 a)			291,521			1,154,241
							10,500	7b)	7b)					
							300,000	10c)	9 3/4 c)					
31. 12. 28	5,079,945	1,658,269	3,421,676	—	23,578	3,445,254	3,240,000	8a)	8a)					
							1,944	6b)	203,310	3,445,751	6b)	203,807	a) ordinary shares; b) preference shares.	
31. 12. 28	3,004,594	1,000,000	2,004,594	—	139,865	2,144,459	1,800,000	9	344,459	1,649,570	9	299,570		
31. 12. 28	1,884,278	1,219,077	665,201	—	20,550	685,751	630,000	9a)			9a)			
							18,780	6b)	36,971	712,866	6b)	64,086	a) ordinary shares; b) preference shares.	
31. 12. 28	2,751,647	861,300	1,890,347	—	15,310	1,905,657	1,792,000	8			113,657			1,908,809
31. 12. 28	4,266,830	3,211,945	1,054,885	—	2,791	1,057,676	1,050,300	8	7,376	925,991	8	2,791		
30. 6. 28	31,907,384	16,585,426	15,321,958	—	11,281	15,333,239	13,554,000	9a)		13,83,239	13,683,646	9a)	819,646	a) bearer shares; b) registered shares.
							396,000	9b)				15b)		
—	161,535,022	54,721,886	106,813,136	—	5,379,811	112,192,947	89,621,643	—	22,571,304	102,007,851	—	21,103,235		

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or 1928										Comparison
						Debenture capital	Annuity	Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand ³	
23	Hamburgische Elektrizitäts-Werke A. G.	Hamburg	1,091,875,400 89,000,000	359,669,046 16,511,500	690,480,739 40,494,642	173,741,180 —	10,315,491 —	— 30. 6. 28	161,535,022 19,791,579	54,721,886 6,950,000	106,813,136 12,841,579	— —	5,379,811 339,758	112,192,947 13,181,337	89,621,643 6,600,000 854	— 10 a) 10 b)	22,571,304 6,580,483 *	102,007 12,681
24	Robert Bosch A. G.	Stuttgart	30,000,000	9,000,000	26,776,429	—	—	31. 12. 28	1,922,722	—	1,922,722	—	434,442	2,357,164	—	0	2,357,164	1,572
25	Landkraftwerke Leipzig A. G.	Kulkwitz	16,020,000	4,049,837	8,952,300	—	—	30. 6. 28	1,886,840	871,000	1,015,840	—	1,326	1,017,166	960,000 2,000	6 a) 10 b)	55,166	1,014
26	Deutsche Kabelwerke A. G.	Berlin-Lichtenberg	10,160,000	761,427	3,380,968	—	—	31. 12. 28	847,324	543,613	303,711	—	30,621	334,332	—	0	334,332	30
27	Hackethal-Draht- u. Kabel-Werke A. G.	Hannover	9,200,000	1,000,000	3,500,000	—	—	31. 12. 28	1,323,577	572,147	751,430	—	44,737	796,167	736,000	8	60,167	596
28	Voigt u. Haeffner A. G.	Frankfurt a. M.	10,200,000	1,497,359	4,000,000	—	—	31. 12. 28	1,585,262	775,516	809,746	—	66,930	876,676	675,000 14,000 50,000	9 a) 7 b) 8	137,676	730
29	C. Lorenz A. G.	Berlin-Tempelhof	9,500,000	891,412	4,250,723	—	—	31. 12. 28	916,363	514,915	401,448	—	48,620	450,068	360,000	6	90,068	419
30	Schlesische Elektrizitäts- und Gas A. G.	Breslau	32,041,666	3,250,000	710,847	—	—	31. 12. 28	5,067,131	1,570,329	3,496,802	—	77,411	3,574,213	3,204,167	10	370,046	3,795
31	Pfalzwerke A. G.	Ludwigshafen a. Rh.	9,000,000	15,924,503	7,258,128	—	—	31. 12. 28	2,785,606	2,062,440	723,166	—	31,450	754,616	720,000	8	34,616	751
32	Accumulatoren-Fabrik A. G.	Berlin-Hagen	20,000,000	2,000,000	337,176	—	—	31. 12. 28	3,076,801	1,390,063	1,686,738	—	499,789	2,186,527	1,600,000	8	586,527	2,179
33	Rheinische Elektrizitäts-A. G.	Mannheim	14,044,000	4,246,120	4,836,524	—	—	31. 12. 28	1,900,059	701,654	1,198,405	—	187,410	1,385,815	1,125,000 91,200	9 a) 6 b)	169,615	1,403
34	Oberbayerische Ueberland-Zentrale A. G.	München	7,686,000	2,293,640	259,207	—	—	30. 9. 28	1,005,990	453,068	552,922	—	25,123	578,045	537,600 384	7 a) 6 b)	40,061	575
35	Elektrizitätswerk Sachsen-Anhalt A. G.	Halle (Saale)	8,000,000	7,238,323	2,059,276	—	—	31. 12. 28	2,105,961	1,370,090	735,871	—	25,408	761,279	640,000	8	121,279	715
36	Amperwerke Elektrizitäts A. G.	München	14,006,000	3,579,000	4,917,368	—	—	30. 6. 28	1,671,299	600,000	1,071,299	—	60,446	1,131,745	980,000 360	7 a) 6 b)	151,385	1,142
37	Kraftwerk Altwürttemberg A. G.	Beihingen	8,400,000	3,692,473	—	—	—	31. 12. 28	870,982	253,087	617,895	—	8,165	626,060	588,000	7	38,060	625
38	Stettiner Elektrizitäts-Werke A. G.	Stettin	5,000,000	601,844	2,793,000	—	—	30. 6. 28	1,157,341	553,534	603,807	—	11,818	615,625	600,000	12	15,625	611
39	Pöge Elektrizitäts-A.-G.	Chemnitz	6,006,000	947,000	498,266	—	—	30. 6. 28	— 617.265	291,875	—	909,140	11,823	— 897.317	—	0 a) 0 b) 0 c)	— 897.317	292
40	A. G. für Gas und Elektrizität Köln	Dortmund	6,000,000	600,000	422,280	—	—	31. 12. 28	475,345	150,000	325,345	—	43,874	369,219	315,000	6	54,219	32,0
			1,396,139,066	437,753,484	805,927,873	224,494,180	13,272,201	—	209,925,204 — 617.265	74,345,217	135,871,862	909,140	7,328,962	143,189,001 — 897.317	109,421,208	7,84	33,767,793 — 897.317	131,473
			1,396,139,066	437,753,484	805,927,873	224,494,180	13,272,201	—	209,307,939	74,345,217	135,871,862	909,140	7,328,962	142,291,684	109,421,208	7,84	32,870,476	131,473

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

VI. Machinery and Metals Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Balance sheet results for				
						Debenture capital	Annuity	Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year
1	Ludwig Løwe & Co. A. G.	Berlin	20,000,000	4,498,898	5,700,000	—	—	31. 12. 28	3,034,096	927,046	2,107,050	—
2	Nationale Automobil-Gesellschaft, A. G.	Berlin	17,000,000	—	7,147,024	—	—	31. 12. 28	— 1,364,371	6,351,367	—	7,715,738
3	Gebr. Körting A. G.	Hannover-Linden	7,900,000	83,000	4,296,250	—	—	31. 12. 28	760,133	349,896	410,237	—
4	A. G. vorm. Seidel & Naumann	Dresden	6,072,000	1,100,000	144,517	—	—	31. 12. 28	966,876	946,673	20,203	—
5	Bayerische Motorenwerke A. G.	München	16,000,000	2,400,000	—	—	—	31. 12. 28	4,501,025	1,848,302	2,652,723	—
6	Felten & Guillaume Carlswerk A. G.	Köln-Mülheim	66,000,000	3,782,916	20,462,517	—	—	31. 12. 28	7,532,745	2,224,354	5,308,391	—
7	Schubert & Salzer Maschinenfabrik Aktiengesellschaft	Chemnitz	19,268,000	6,803,495	1,628,200	—	—	31. 12. 28	5,499,401	1,851,898	3,647,503	—
8	Atlas-Werke A. G.	Bremen	5,000,000	1,000,000	417,500	—	—	31. 12. 28	684,466	249,850	434,616	—
9	Gesellschaft für Lindes Eismaschinen A. G.	Wiesbaden	16,643,000	4,503,069	703,732	—	—	31. 12. 28	5,236,118	2,430,673	2,805,445	—
10	H. Berthold Messinglinienfabrik und Schriftgießerei A. G.	Berlin	5,500,000	374,870	1,234,612	—	—	31. 12. 28	798,107	519,374	278,733	—
11	Maschinenfabrik Gritzner A. G.	Durlach	6,305,000	1,100,000	313,278	—	—	31. 12. 28	709,949	331,240	378,709	—
12	Brown, Boveri & Co. A. G.	Mannheim	25,000,000	5,000,000	792,000	—	—	31. 12. 28	3,752,507	1,810,531	1,941,976	—
13	Daimler-Benz A. G.	Berlin	50,360,000	9,750,000	21,273,199	—	—	31. 12. 28	5,866,251	5,852,667	13,584	—
14	Dürkoppwerke A. G.	Bielefeld	7,055,000	945,000	153,268	—	—	31. 12. 28	— 115,770	372,654	—	488,424
15	Hugo Schneider A. G.	Leipzig	6,000,000	1,007,000	—	—	—	31. 12. 28	1,167,805	566,017	601,788	—
16	Waggon-Fabrik A. G.	Uerdingen (Rh.)	3,635,000	725,000	33,860	—	—	30. 9. 28	567,538	313,692	253,846	—
17	Vereinigte Deutsche Nickelwerke A. G., vorm. Westfälisches Nickelwalzwerk Fleitmann, Witte & Co. ...	Schwerte (Westf.)	10,850,000	1,635,000	—	—	—	30. 9. 28	2,892,138	745,309	2,146,829	—
18	C. J. Vogel Draht- u. Kabelwerke A. G.	Berlin	8,320,000	1,340,000	3,392,650	—	—	30. 9. 28	811,759	457,836	353,923	—
19	Wanderer-Werke vorm. Winklhofer & Jacnicke A. G.	Schönau bei Chemnitz	15,734,000	4,101,356	76,793	—	—	30. 9. 28	2,018,600	983,900	1,034,700	—
20	Schnellpressenfabrik Frankenthal Albert & Cie. A. G.	Frankenthal (Pfalz)	4,284,000	428,400	61,476	—	—	31. 12. 28	417,475	198,475	219,000	—
21	Deutsche Gold- und Silber-Scheideanstalt vorm. Roessler	Frankfurt a. M.	23,000,000	2,265,143	—	—	—	30. 9. 28	3,491,991	1,024,686	2,467,305	—
22	Knorr-Bremse A. G.	Berlin	50,000,000	2,500,000	—	—	—	31. 12. 28	5,869,622	1,328,339	4,541,283	—
23	Motorenfabrik Oberursel A. G.	Oberursel	4,250,000	945,000	427,730	—	—	30. 6. 28	1,025,605	410,905	614,700	—
24	Maschinenfabrik Eßlingen A. G.	Eßlingen	6,400,000	640,000	617,820	—	—	31. 12. 28	312,505	259,390	53,115	—
25	»Kronprinz« A. G. für Metallindustrie	Ohligs	9,450,000	1,186,956	—	—	—	31. 12. 28	883,357	387,347	496,010	—
			410,026,000	58,115,103	68,876,426	86,065,000	5,159,500	—	58,800,069 — 1,480,141	32,742,421	32,781,669	8,204,162

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

VI. Machinery and Metals Industry.

IV. VI.

Balance sheet results for 1927-28 or 1928

Comparison with the business year 1926-27 or 1927

Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	Observations
31. 12. 28	3,034,096	927,046	2,107,050	—	322,227	2,429,277	2,000,000	10	429,277	1,849,673	10	349,673	
31. 12. 28	— 1,364,371	6,351,367	—	7,715,738	451,958	— 7,263,780	—	0	— 7,263,780	451,958	0	451,958	
31. 12. 28	760,133	349,896	410,237	—	170,286	580,523	351,000	6 a)	205,523	441,646	4 a)	183,646	a) ordinary shares; b) preference shares.
							24,000	6 b)			6 b)		
31. 12. 28	966,876	946,673	20,203	—	180,235	200,438	—	0 a)	196,118	448,875	0 a)	440,235	a) ordinary shares; b) preference shares.
							4,320	6 b)			6 b)		
31. 12. 28	4,501,025	1,848,302	2,652,723	—	156,662	2,809,385	2,240,000	14	569,385	1,911,926	14	511,926	
31. 12. 28	7,532,745	2,224,354	5,308,391	—	266,701	5,575,092	4,837,500	7 1/3	737,592	4,111,596	6	511,596	
31. 12. 28	5,499,401	1,851,898	3,647,503	—	800,932	4,448,435	3,080,000	16 a)	1,367,175	3,510,192	16 a)	1,268,932	a) ordinary shares; b) preference shares; c) bonus shares (Genussscheine).
							1,260	7 b)			7 b)		
							—	—			16 c)		
31. 12. 28	684,466	249,850	434,616	—	—	434,616	400,000	8	34,616	— 67,654	0	— 67,654	
31. 12. 28	5,236,118	2,430,673	2,805,445	—	169,719	2,975,164	2,310,000	14 a)	659,059	2,546,838	12 a)	560,733	a) bearer shares; b) registered shares.
							6,105	6 b)			6 b)		
31. 12. 28	798,107	519,374	278,733	—	8,051	286,784	168,000	4 a)	18,684	330,630	7 a)	36,630	a) ordinary shares; b) preference shares.
							100,100	7 b)			0 b)		
31. 12. 28	709,949	331,240	378,709	—	235,684	614,393	378,000	6 a)	236,093	1,040,990	11 a)	346,424	a) ordinary shares; b) preference shares; c) bonus shares (Genussscheine).
							300	6 b)			6 b)		
							—	—			6 c)		
31. 12. 28	3,752,507	1,810,531	1,941,976	—	20,556	1,962,532	1,800,000	9	162,532	1,466,542	9	105,154	
31. 12. 28	5,866,251	5,852,667	13,584	—	861,643	875,227	—	0	875,227	861,643	0	861,643	
31. 12. 28	— 115,770	372,654	—	488,424	181,672	— 306,752	—	0 a)	— 306,752	244,972	0 a)	181,672	a) ordinary shares; b) preference shares.
							—	0 b)			6 b)		
31. 12. 28	1,167,805	566,017	601,788	—	75,486	677,274	600,000	10	77,274	555,486	8	75,486	
30. 9. 28	567,538	313,692	253,846	—	20,750	274,596	252,000	7 a)	20,846	238,500	6 a)	20,750	a) ordinary shares; b) preference shares.
							1,750	5 b)			5 b)		
30. 9. 28	2,892,138	745,309	2,146,829	—	142,358	2,289,187	1,260,000	12 a)	1,008,187	1,850,025	11 a)	674,025	a) ordinary shares; b) preference shares.
							21,000	6 b)			6 b)		
30. 9. 28	811,759	457,836	353,923	—	197,215	551,138	492,000	6 a)	51,938	712,915	6 a)	213,715	a) ordinary shares; b) preference shares.
							7,200	6 b)			6 b)		
30. 9. 28	2,018,600	983,900	1,034,700	—	189,021	1,223,721	939,000	6 a)	279,681	1,832,061	12 a)	189,021	a) ordinary shares; b) preference shares.
							5,040	6 b)			6 b)		
31. 12. 28	417,475	198,475	219,000	—	32,223	251,223	210,000	5 a)	35,803	82,223	0 a)	32,223	a) ordinary shares; b) preference shares A; c) preference shares B.
							3,500	7 b)			0 b)		
							1,920	6 c)			0 c)		
30. 9. 28	3,491,991	1,024,686	2,467,305	—	105,721	2,573,026	2,014,601	9 a)	522,425	2,544,742	9 a)	500,144	a) ordinary shares; b) preference shares.
							36,000	6 b)			6 b)		
31. 12. 28	5,869,622	1,328,339	4,541,283	—	135,923	4,677,206	4,000,000	8	677,206	5,635,923	10	635,923	
30. 6. 28	1,025,605	410,905	614,700	—	12,149	626,849	340,000	8	286,849	432,943	6	177,943	
31. 12. 28	312,505	259,390	53,115	—	297,473	350,588	—	0	350,588	297,473	0	297,473	
31. 12. 28	883,357	387,347	496,010	—	56,837	552,847	472,500	5	80,347	863,745	8	107,457	
—	58,800,069	32,742,421	32,781,669	8,204,162	5,091,482	37,239,521	28,357,096	—	8,882,425	34,213,229	—	8,734,382	
	— 1,480,141					— 7,570,532			— 7,570,532			— 67,654	

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits (2)	Amortisation effected	Balance sheet results for 1927-28		
						Debenture capital	Annuity				Net profit on the business year	Loss on the business year	Brought forward from preceding business year
			410,026,000	58,115,103	68,876,426	86,065,000	5,159,500	—	58,800,069 — 1,480,141	32,742,421	32,781,669	8,204,162	5,091,48
26	Metallgesellschaft.....	Frankfurt a. M.	70,860,000	13,677,838	15,314,250	—	—	30. 9. 28	9,092,602	2,863,825	6,228,777	—	123,32
27	Orenstein & Koppel A. G.	Berlin	36,480,000	3,648,000	586,812	—	—	31. 12. 28	6,197,563	3,637,966	2,559,597	—	167,92
28	Bamag-Meguig A. G.	Berlin	12,063,000	2,600,000	4,235,750	—	—	30. 6. 28	989,602	746,787	242,815	—	—
29	Berliner Maschinenbau A. G. vorm. L. Schwartzkopff ..	Berlin	18,445,000	7,300,000	—	—	—	30. 6. 28	1,752,494	1,021,216	731,278	—	310,42
30	Bremer Vulkan, Schiffbau u. Maschinenfabrik	Vegesack	10,000,000	1,000,000	—	—	—	31. 12. 28	1,485,742	699,803	785,939	—	198,92
31	Linke-Hofmann-Busch-Werke A. G.	Berlin	30,000,000	3,000,000	3,293,249	—	—	30. 9. 28	2,023,554	1,988,462	35,092	—	195,22
32	Gebr. Junghans A. G.	Schramberg i. Wittbg.	21,000,000	2,256,400	—	—	—	30. 6. 28	1,593,024	424,908	1,168,116	—	35,92
33	Osnabrücker Kupfer- u. Drahtwerk	Osnabrück	9,600,000	1,964,226	4,200,000	—	—	30. 6. 28	1,248,660	419,924	828,736	—	160,32
34	Excelsior-Fahrrad-Werke Gebr. Conrad & Patz A. G. ..	Brandenburg	3,670,000	360,000	—	—	—	31. 12. 28	— 415,123	184,831	—	599,954	39,52
35	Hansa-Lloyd Werke A. G.	Bremen	5,400,000	1,100,000	2,612,635	—	—	31. 12. 28	490,495	402,158	88,337	—	60,72
36	Wegelin & Hübner Maschinenfabrik und Eisengießerei	Halle a. d. Saale	3,985,000	232,000	669,282	—	—	31. 12. 28	445,441	83,730	361,711	—	7,32
37	Motorenfabrik Deutz A. G.	Köln-Deutz	12,750,000	2,500,000	383,344	—	—	30. 6. 28	998,461	979,803	18,658	—	— 223,22
38	J. E. Reinecker A. G.	Chemnitz-Gablenz	7,200,000	931,381	—	—	—	30. 6. 28	921,088	194,237	726,851	—	27,32
39	Hannoversche Maschinenbau-A. G. vorm. Georg Ege- storff (Hanomag)	Hannover-Linden	14,466,600	6,465,086	9,000,000	—	—	30. 6. 28	— 3,547,292	1,812,766	—	5,360,058	263,42
40	Sächsische Maschinenfabrik vorm. Rich. Hartmann A. G.	Chemnitz	18,190,500	—	205,695	—	—	30. 6. 28	— 4,140,720	594,415	—	4,735,135	— 2,458,52
41	Kabelwerk Rheydt A. G.	Rheydt	7,560,000	1,044,500	—	—	—	30. 6. 28	1,303,115	319,128	983,987	—	36,42
42	R. Frister A. G.	Berlin	6,000,000	1,000,000	206,311	—	—	31. 12. 28	799,959	437,696	362,263	—	134,02
43	Bing Werke vorm. Gebrüder Bing A. G.	Nürnberg	10,000,000	—	726,622	—	—	31. 12. 28	751,667	568,689	182,978	—	32,42
44	Vogtländische Maschinenfabrik (vorm. J. C. & H. Diet- rich) A. G.	Plauen i. V.	8,100,000	810,000	343,623	—	—	30. 6. 28	1,226,578	723,585	502,993	—	40,82
45	Th. Flöther, Maschinenbau A. G.	Gassen N./L.	3,708,000	370,800	—	—	—	31. 12. 28	175,372	135,483	39,889	—	188,02
46	Maschinenfabrik Augsburg-Nürnberg A. G.	Nürnberg	20,000,000	2,200,000	17,276,721	—	—	30. 6. 28	2,413,446	1,336,739	1,076,707	—	1,640,82
47	Blohm & Voß Kommanditgesellschaft a. A.	Hamburg	14,000,000	1,650,000	445,610	—	—	30. 6. 28	1,340,856	807,390	533,466	—	59,82
48	Rheinische Metallwaren- und Maschinenfabrik	Düsseldorf	12,000,000	600,000	13,671,276	—	—	30. 6. 28	3,266,960	2,197,432	1,069,528	—	513,42
49	Deutsche Babcock & Wilcox-Dampfkessel Werke A. G.	Berlin	8,000,000	2,800,000	—	—	—	30. 9. 28	1,654,144	392,650	1,261,494	—	4,32
			773,504,100	115,625,334	142,047,606	161,827,500	9,490,006	—	98,970,892 — 9,583,276	55,716,044	52,570,881	18,899,309	9,332,72 — 2,682,72

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

Reparation charge		Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Debtenture capital	Annuity	Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
86,065,000	5,159,500	—	58,800,069 — 1,480,141	32,742,421	32,781,669	8,204,162	5,091,482	37,239,521 — 7,570,532	28,357,096	—	8,882,425 — 7,570,532	34,213,229	—	8,734,382 — 67,654	a) ordinary shares; b) preference shares A; c) preference shares B. † Metallgesellschaft A. G. * Metallbank u. Metallurgische Gesellschaft A. G.
—	—	30. 9. 28	9,092,602	2,863,825	6,228,777	—	123,320	6,352,097	4,400,000 111,600 300,000	8 a) 6 b) 7 1/2 c)	1,540,497	2,659,046†	11 a) 5 b) 0 c) 8 a) 6 b) 7 1/2 c)	670,778 355,666	
—	—	31. 12. 28	6,197,563	3,637,966	2,559,597	—	167,928	2,727,525	2,160,000 33,600	6 a) 7 b)	533,925	2,024,507	5 a) 7 b)	190,907	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	989,602	746,787	242,815	—	—	242,815	—	0 a) 6 b)	239,035	— 2,690,099	0 a) 0 b)	— 2,690,099	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	1,752,494	1,021,216	731,278	—	310,455	1,041,733	—	0 a) 6 b)	1,015,033	1,307,696	6 a) 6 b)	335,996	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	1,485,742	699,803	785,939	—	198,941	984,880	800,000	8	184,880	1,106,377	8	306,377	a) ordinary shares; b) preference shares.
—	—	30. 9. 28	2,023,554	1,988,462	35,092	—	195,299	230,391	—	0	230,391	165,767	0	165,767	
—	—	30. 6. 28	1,593,024	424,908	1,168,116	—	35,986	1,204,102	1,064,719 33,900	6 a) 6 b)	105,483	527,050	4 a) 4 b)	35,986	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	1,248,660	419,924	828,736	—	160,346	989,082	576,000	6	413,082	160,346	0	160,346	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	— 415,123	184,831	—	599,954	39,551	— 560,403	—	0 a) 0 b)	— 560,403	286,451	6 a) 7 b)	65,551	
—	—	31. 12. 28	490,495	402,158	88,337	—	60,718	149,055	—	0	149,055	276,718	4	60,718	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	445,441	83,730	361,711	—	7,200	368,911	316,000 3,000	8 a) b)	49,911	306,700	7 a) b)	27,200	
—	—	30. 6. 28	998,461	979,803	18,658	—	— 223,226	— 204,568	—	0	— 204,568	— 223,226	0	— 223,226	a) ordinary shares; b) 6 RM. on each preference share of 70 RM.
—	—	30. 6. 28	921,088	194,237	726,851	—	27,339	754,190	720,000	10	34,190	531,339	7	27,339	
—	—	30. 6. 28	— 3,517,292	1,812,766	—	5,360,058	263,436	— 5,096,622	—	0 a) 0 b)	— 5,096,622	291,432	0 a) 6 b)	263,436	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	— 4,140,720	594,415	—	4,735,135	— 2,458,974	— 7,194,109	—	0	— 7,194,109	— 3,294,134	0	— 3,294,134	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	1,303,115	319,128	983,987	—	36,421	1,020,408	900,000 3,600	12 a) 6 b)	116,808	976,856	12 a) 6 b)	133,256	
—	—	31. 12. 28	799,959	437,696	362,263	—	134,641	496,904	420,000	7	76,904	134,641	0	134,641	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	751,667	568,689	182,978	—	32,420	215,398	—	0	215,398	32,420	0	32,420	
—	—	30. 6. 28	1,226,578	723,585	502,993	—	40,886	543,879	432,000 54,000	6 a) 6 b)	57,879	490,886	4 a) 6 b)	40,886	a) ordinary shares; b) preference shares.
—	—	31. 12. 28	175,372	135,483	39,889	—	188,695	228,584	—	0 a) 6 b)	221,744	339,589	4 a) 6 b)	189,109	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	2,413,446	1,336,739	1,076,707	—	1,640,843	2,717,550	1,200,000 350,000	6 5 a)	1,517,550	1,640,843	0 5	1,640,843	a) ordinary shares; b) preference shares.
—	—	30. 6. 28	1,340,856	807,390	533,466	—	59,168	592,634	175,000	2 1/2 b)	67,634	1,334,168	2 1/2 b)	809,168	
—	—	30. 6. 28	3,266,960	2,197,432	1,069,528	—	513,404	1,582,932	720,000	6	862,932	1,113,404	0	1,113,404	a) ordinary shares; b) preference shares.
—	—	30. 9. 28	1,654,144	392,650	1,261,494	—	4,307	1,265,801	720,000	9	545,801	1,168,751	9	448,751	
161,827,500	9,490,006	—	98,970,892 — 9,583,276	55,716,044	52,570,881	18,899,309	9,332,786 — 2,682,200	60,948,392 — 20,626,234	43,887,835	—	17,060,557 — 20,626,234	54,964,942 — 6,275,113	—	15,942,927 — 6,275,113	

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits (2)	Amortisation effected	No. of shares
						Debtenture capital	Annuity				
			773,504,100	115,625,334	142,047,606	161,827,500	9,490,006	—	98,970,892 — 9,583,276	55,716,044	
50	Berlin-Karlsruher Industrie-Werke A. G.	Berlin	30,000,000	3,000,000	—	—	—	31. 12. 28	3,604,287	3,383,926	
51	Julius Pintsch A. G.	Berlin	9,012,000	900,000	2,532,479	—	—	31. 12. 28	2,844,987	1,923,187	
52	Frankfurter Maschinenbau A. G. vorm. Pokorny & Wittekind	Frankfurt a. M.	6,918,000	834,857	104,654	—	—	31. 12. 28	509,663	224,990	
53	Lokomotivfabrik Krauß & Co. A. G.	München	5,000,000	69,016	621,003	—	—	31. 12. 28	251,518	213,787	
54	Westfälische Drahtindustrie	Hamm i. W.	7,667,000	767,000	65,850	—	—	30. 6. 28	1,414,208	787,661	
55	Gußstahl-Werke Witten A. G.	Witten-Ruhr	10,400,000	—	8,005	—	—	30. 6. 28	554,108	935,931	
56	Deutsche Schiff- und Maschinenbau A. G.	Bremen	25,000,000	3,500,000	547,050	—	—	31. 12. 28	3,011,601	2,973,545	
57	Hirsch Kupfer- u. Messingwerke A. G.	Berlin	12,000,000	1,200,000	8,329,856	—	—	31. 12. 28	1,972,602	817,854	
58	Adlerwerke vorm. Heinrich Kleyer A. G.	Frankfurt a. M.	19,271,000	8,222,804	218,145	—	—	31. 10. 28	— 819,090	1,266,154	
59	Steffens & Nölle A. G.	Berlin	4,500,000	450,000	—	—	—	31. 12. 28	261,606	59,000	
60	Deutsche Werft A. G.	Hamburg	10,000,000	187,676	801,187	—	—	31. 12. 28	1,321,297	611,568	
61	Siegen-Solinger Gußstahl-Aktienverein	Solingen	6,850,000	162,501	2,619,710	—	—	31. 12. 28	— 454,004	221,137	
62	Maschinen-Anstalt Humboldt	Köln-Kalk	12,750,000	2,461,199	1,789,847	—	—	30. 6. 28	1,133,745	1,105,758	
63	R. Stock & Co., Spiralbohrer, Werkzeug- und Maschinenfabrik A. G.	Berlin	7,560,000	756,000	113,619	—	—	30. 9. 28	809,633	254,772	
64	Waggon u. Maschinenbau A. G.	Görlitz	6,000,000	317,500	199,213	—	—	30. 6. 28	1,839,840	762,735	
65	Westfälische Eisen- und Drahtwerke A. G.	Werne bei Langendreer	5,250,000	—	32,434	—	—	30. 6. 28	— 43,622	122,000	
66	H. Fuchs Waggon-Fabrik A. G.	Heidelberg	1,520,000	11,578	1,464,517	—	—	30. 6. 28	— 20,182	146,728	
67	Enzinger Union-Werke A. G.	Mannheim	6,200,000	1,187,249	101,940	—	—	31. 12. 28	894,768	244,505	
68	Motoren-Werke Mannheim A. G. vorm. Benz Abt. Stationärer Motorenbau	Mannheim	5,400,000	245,041	—	—	—	31. 12. 28	333,133	274,072	
69	»Miang« Mühlenbau- und Industrie A. G.	Frankfurt a. M.	15,000,000	1,559,247	11,483,915	—	—	31. 12. 28	2,541,319	880,305	
70	Leipziger Pianoforte- und Phonolafabriken Hupfeld — Gebr. Zimmermann A. G.	Leipzig	4,500,000	450,000	936,500	—	—	30. 6. 28	584,483	124,325	
71	Gebrüder Schöndorff A. G.	Düsseldorf	4,000,000	400,000	2,496,020	—	—	30. 6. 28	647,518	354,568	
72	Pittler Werkzeugmaschinenfabrik A. G.	Leipzig-Wahren	4,000,000	561,890	400,000	—	—	31. 12. 28	775,656	354,871	
73	Schiess-Defries A. G.	Düsseldorf	8,000,000	800,000	1,678,661	—	—	31. 12. 28	1,013,079	401,209	
74	Trumph Werke Nürnberg A. G.	Nürnberg	3,085,000	100,000	381,952	—	—	30. 9. 28	1,072,657	191,127	
75	»Demag« A. G.	Duisburg	38,000,000	3,800,000	—	—	—	31. 12. 28	3,702,719	1,752,792	
76	Gothaer Waggonfabrik A. G.	Gotha	7,000,750	750,000	226,000	—	—	30. 6. 28	— 7,234,798	956,484	
77	Süddeutsche Bremsen-A. G.	München	10,000,000	61,298	—	—	—	31. 12. 28	198,125	182,626	
78	Heinrich Lanz-A. G.	Mannheim	12,000,000	1,200,000	1,387,476	—	—	31. 12. 28	1,345,078	1,183,143	
			1,070,387,850	149,580,190	180,587,639	214,675,600	12,612,370	—	131,608,512 — 18,154,972	78,426,804	

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1928			Observations
Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
—	98,970,892 — 9,583,276	55,716,044	52,570,881	18,899,309	9,332,786 — 2,682,200	60,948,392 — 20,626,234	43,887,835	—	17,060,557 — 20,626,234	54,964,942 — 6,275,113	—	15,942,927 — 6,275,113	
31. 12. 28	3,604,287	3,383,926	220,361	—	1,044,383	1,264,744	—	0	1,264,744	— 14,800,000	0	— 14,800,000	
31. 12. 28	2,844,987	1,923,187	921,800	—	35,766	937,566	900,000	10	57,566	755,766	8	35,766	
31. 12. 28	509,663	224,990	284,673	—	3,700	288,373	264,000	4 a)			6 a)		
							19,080	6 b)	5,293	497,164	6 b)	63,004	a) ordinary shares; b) preference shares.
31. 12. 28	251,518	213,787	37,731	—	55,421	93,152	—	0	93,152	58,338	0	58,338	
30. 6. 28	1,414,208	787,661	626,547	—	—	626,547	333,350	5 a)			5 a)		
							40,000	4 b)	253,197	473,639	4 b)	20,289	a) ordinary shares; b) preference shares.
30. 6. 28	554,108	935,931	—	381,823	— 1,339,882	— 1,721,705	—	0	— 1,721,705	— 1,339,882	0	— 1,339,882	
31. 12. 28	3,011,601	2,973,545	38,056	—	512,717	550,773	—	0	550,773	512,717	0	512,717	
31. 12. 28	1,972,602	817,854	1,154,748	—	133,441	1,288,189	1,080,000	9	208,189	880,108	6	160,108	
31. 10. 28	— 819,090	1,266,154	—	2,085,244	79,131	— 2,006,113	—	0 a)			5 a)		
								0 b)	— 2,006,113	1,048,981	7 b)	79,131	a) ordinary shares; b) preference shares.
31. 12. 28	261,606	59,000	202,606	—	9,586	212,192	180,000	8*	32,192	196,336	8*	16,336	* on 2,250,000 RM.
31. 12. 28	1,321,297	611,568	709,729	—	23,126	732,855	600,000	6	132,855	719,081	6	209,081	
31. 12. 28	— 454,004	221,137	—	675,141	20,663	— 654,478	—	0 a)			0 a)		
								0 b)	— 654,478	41,663	7 b)	20,663	a) ordinary shares; b) preference shares.
30. 6. 28	1,133,745	1,105,758	27,987	—	— 334,837	— 306,850	—	0	— 306,850	— 334,837	0	— 334,837	
30. 9. 28	809,633	254,772	554,851	—	63,859	618,710	529,200	7	89,510	450,259	5	72,259	
30. 6. 28	1,839,840	762,735	1,077,105	—	21,569	1,098,674	600,000	10 a)			8 a)		
							366,000	10 b)			0 b)		
							4,101	c)	128,573	229,473	c)	39,069	a) ordinary shares; b) preference shares; c) bonus shares (Genussscheine).
30. 6. 28	— 43,622	122,000	—	165,622	— 1,048,328	— 1,213,950	—	0	— 1,213,950	— 1,573,329	0	— 1,573,329	
30. 6. 28	— 20,182	146,728	—	166,910	—	— 166,910	—	0	— 166,910	— 498,840	0	— 498,840	
31. 12. 28	894,768	244,505	650,263	—	—	650,263	359,886	6	290,377	— 499,614	0	— 499,614	
31. 12. 28	333,133	274,072	59,061	—	— 955,633	— 896,572	—	0	— 896,572	— 955,633	—	— 955,633	
31. 12. 28	2,541,319	880,305	1,661,014	—	153,236	1,814,250	1,480,000	10 a)			10 a)		
							14,000	7 b)	320,250	1,803,182	7 b)	409,182	a) ordinary shares; b) preference shares.
30. 6. 28	584,483	124,325	460,158	—	3,903	464,061	450,000	10	14,061	462,903	10	12,903	
30. 6. 28	647,518	354,568	292,950	—	—	292,950	217,600	8 a)	75,350	— 843,312	0	— 843,312	a) on 2,560,000 RM. of shares only 4 per cent.
31. 12. 28	775,656	334,871	420,785	—	46,767	467,552	400,000	10	67,552	394,767	10	46,767	
31. 12. 28	1,013,079	401,209	611,870	—	164,837	776,707	560,000	7	216,707	549,282	7	199,282	
30. 9. 28	1,072,657	191,127	881,530	—	6,018	887,548	462,000	15 a)			10 a)		
							300	6 b)	425,248	439,318	6 b)	131,018	a) ordinary shares; b) preference shares.
31. 12. 28	3,702,719	1,752,792	1,949,927	—	72,805	2,022,732	1,900,000	5	122,732	2,002,970	5	102,970	
30. 6. 28	— 7,234,798	956,484	—	8,191,282	— 891,703	— 9,082,985	—	0	— 9,082,985	— 891,703	0	— 891,703	
31. 12. 28	198,125	182,626	15,499	—	—	15,499	—	0	15,499	— 495,115	0	— 495,115	
31. 12. 28	1,345,078	1,183,143	161,935	—	89,319	251,254	—	0	251,254	89,319	0	89,319	
—	131,608,512 — 18,154,972	78,426,804	65,592,067	30,565,331	11,873,033 — 7,252,583	76,322,983 36,675,797	54,647,352	—	21,675,631 — 36,675,797	66,570,208 — 28,507,378	—	18,221,129 — 28,507,378	

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or 1928										Compa
						Debenture capital	Annuity	Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percent-age	Balance in hand (3)	
			1,070,387,850	149,580,190	180,587,639	214,675,600	12,612,370	—	131,608,512 —18,154,972	78,426,804	65,592,067	30,565,331	11,873,033 —7,252,583	76,322,983 —36,675,797	54,647,352	—	21,675,631 —36,675,797	66. —28.
79	Harburger Eisen- und Bronzwerke A. G.	Harburg	3,780,000	302,450	—	—	—	31. 12. 28	579,648	214,310	365,338	—	98,013	463,351	302,400	8	160,951	
80	Friz Werner A. G.	Berlin-Marienfelde	3,600,000	600,000	441,062	—	—	31. 12. 28	641,127	407,928	233,199	—	65,126	298,325	198,000	6 a)	82,325	
81	Maschinenbau A. G. Balcke	Bochum	3,200,000	900,000	1,024,000	—	—	31. 12. 28	641,397	228,842	413,055	—	—	413,055	320,000	10	93,055	
82	Deutsche Steinzeugwarenfabrik für Kanalisation und chemische Industrie	Friedrichsfeld (Baden)	4,447,500	552,500	—	—	—	31. 12. 28	971,397	231,770	739,627	—	23,817	763,444	641,250	15 a)	96,319	
83	F. Küpperbusch & Söhne A. G.	Gelsenkirchen	4,900,000	600,000	—	—	—	31. 12. 28	814,316	110,783	703,533	—	89,660	793,193	490,000	10	303,193	
84	Maschinenbauanstalt Kirchner & Co.	Leipzig	6,105,000	610,500	—	—	—	30. 6. 28	517,093	215,064	302,029	—	335,184	637,213	278,100	6 a)	322,813	
85	Vereinigte Eschbach'sche Werke A. G.	Dresden	4,400,000	440,000	229,407	—	—	31. 12. 28	237,161	151,020	86,141	—	23,742	109,883	—	0 a)	104,883	
86	Reiniger, Gebbert & Schall A. G.	Erlangen	6,500,000	510,897	84,800	—	—	31. 7. 28	522,114	77,582	444,532	—	205,135	649,667	357,700	7	291,967	
87	Westfalia-Dinnendahl A. G.	Bochum	1,605,000	332,660	56,430	—	—	31. 12. 28	134,834	61,161	73,673	—	48,978	122,651	96,000	6 a)	26,351	
88	Baroper Walzwerk A. G.	Barop	3,072,000	27,990	—	—	—	30. 6. 28	335,555	225,815	109,740	—	—	109,740	—	0	109,740	
89	Nähmaschinen- und Fahrräder-Fabrik Bernh. Stöwer A. G.	Stettin	3,600,000	—	791,415	—	—	31. 12. 28	— 347,797	616,444	—	964,241	62,821	— 901,420	—	0	— 901,420	
90	Dürener Metallwerke A. G.	Düren	4,000,000	400,000	—	—	—	31. 12. 28	853,051	418,102	434,949	—	279,909	714,858	400,000	10	314,858	
			1,119,597,350	154,857,187	183,214,753	226,411,600	13,309,586	—	137,856,205 —18,502,769	81,385,125	69,497,883	31,529,572	13,105,418 —7,252,583	81,398,363 —37,577,217	57,816,277	5,16	23,582,086 —37,577,217	71. —28.
			1,119,597,350	154,857,187	183,214,753	226,411,600	13,309,586	—	119,353,436	81,385,125	69,497,883	31,529,572	5,852,835	43,821,146	57,816,277	5,16	—13,995,131	43.

- (1) Statutory reserves and sums placed to reserve for various purposes.
(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.
(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

VII. Textile Industry.

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Balance sheet results for 1928				
						Debenture capital	Annuity	Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year
1	Gruschwitz Textilwerke A. G.	Neusalz (Oder)	13,260,000	1,326,000	1,584,812	—	—	31. 12. 28	1,144,612	475,671	668,941	—
2	Vereinigte Glanzstoff-Fabriken A. G.	Elberfeld	76,500,000	76,100,000	—	—	—	31. 12. 28	20,617,795	6,955,876	13,661,919	—
3	Kammgarnspinnerei Stöhr & Co. A. G.	Leipzig	17,620,000	3,700,000	—	—	—	31. 12. 28	2,543,684	759,101	1,784,583	—
4	Mechanische Weberei zu Linden	Hannover-Linden	13,566,000	7,208,345	7,409,753	—	—	31. 12. 28	1,823,601	442,471	1,381,130	—
5	F. H. Hammersen A. G.	Osnabrück	25,000,000	4,100,000	204,255	—	—	31. 12. 28	2,822,047	1,131,890	1,690,157	—
6	Bremer Woll-Kämmerei	Blumenthal (Unterweser)	10,400,000	3,040,000	—	—	—	31. 12. 28	2,386,823	1,001,513	1,385,310	—
7	Spinnerei & Weberei Kotteln	Kotteln	3,000,000	650,000	810,000	—	—	31. 12. 28	387,220	—	387,220	—
8	Gladbacher Wollindustrie A. G. vorm. L. Josten	M. Gladbach	4,020,400	652,040	—	—	—	30. 6. 28	813,412	250,241	563,171	—
9	Baumwollindustrie Erlangen-Bamberg A. G.	Erlangen	12,000,000	2,000,000	3,872	—	—	31. 12. 28	1,939,380	903,973	1,035,407	—
10	Rheinische Textilfabriken A. G.	Elberfeld	5,700,000	181,467	—	—	—	31. 12. 28	146,899	149,265	—	2,366
11	J. P. Bemberg A. G.	Barmen	28,000,000	11,750,000	580,104	—	—	30. 9. 28	7,036,944	3,020,479	4,016,465	—
12	Jute-Spinnerei und Weberei Bremen	Bremen	3,790,500	379,050	—	—	—	31. 12. 28	886,706	449,496	437,210	—
13	Baumwollspinnerei Kolbermoor	Kolbermoor (Oberbayern)	5,000,000	1,050,000	—	—	—	31. 12. 28	502,505	250,000	252,505	—
14	Vereinigte Jute-Spinnereien und Webereien A. G. ...	Hamburg	15,100,000	1,510,000	21,492,277	—	—	31. 12. 28	1,526,542	751,788	774,754	—
15	Norddeutsche Wollkämmerei und Kammgarnspinnerei	Bremen	75,000,000	26,250,000	—	—	—	31. 12. 28	12,572,744	4,614,754	7,957,990	—
16	A. G. für Schlesische Leinen-Industrie (vorm. C. G. Kramsta & Söhne)	Freiburg i. Schl.	7,781,000	31,927	—	—	—	31. 12. 28	— 1,216,503	1,069,123	—	2,285,626
17	Hanfwerke Füssen-Immenstadt A. G.	Füssen	11,120,000	350,000	176,312	—	—	31. 12. 28	1,129,412	451,466	677,946	—
18	Meyer Kauffmann Textilwerke A. G.	Wüstegiersdorf (Bez. Breslau)	7,040,000	704,000	1,743,778	—	—	31. 12. 28	671,060	432,554	238,506	—
19	Johs. Girmes & Co. A. G.	Oedt (Rhld.)	5,006,000	1,239,194	1,985,000	—	—	31. 12. 28	1,124,418	230,149	894,269	—
20	Deutsche Wollenwaren Manufaktur A. G.	Grünberg i. Schles.	6,500,000	—	2,013,000	—	—	31. 12. 28	— 1,290,307	302,522	—	1,592,829
			345,403,900	142,222,023	38,003,163	59,451,500	3,563,585	—	60,075,804 — 2,506,810	23,642,332	37,807,483	3,880,821

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

VII. Textile Industry.

IV. VII.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand ³	Net profit plus balance brought forward	Dividend distributed	Balance in hand ³	
31. 12. 28	1,144,612	475,671	668,941	—	273,326	942,267	792,000 3,600	6 a) 6 b)	146,667	1,428,031	7 a) 6 b)	500,431	a) ordinary shares; b) preference shares.
31. 12. 28	20,617,795	6,955,876	13,661,919	—	169,971	13,831,890	12,150,000* 72,000	18 a) 6 b)	1,609,890	10,731,098	18 a) 6 b)	1,515,098	a) ordinary shares; b) preference shares. * on 15,000,000 RM. only 9 per cent.
31. 12. 28	2,543,684	759,101	1,784,583	—	85,938	1,870,521	1,750,000 7,200	10 a) 6 b)	113,321	1,843,138	10 a) 6 b)	85,938	a) ordinary shares; b) preference shares.
31. 12. 28	1,823,601	442,471	1,381,130	—	173,016	1,554,146	1,350,000 3,960	10 a) 6 b)	200,186	2,144,557	15 a) 6 b)	340,597	a) ordinary shares; b) preference shares.
31. 12. 28	2,822,047	1,131,890	1,690,157	—	215,997	1,906,154	1,684,000 13,440	8 a) 6 b)	208,714	2,434,437	10 a) 6 b)	315,997	a) ordinary shares; b) preference shares.
31. 12. 28	2,386,823	1,001,513	1,385,310	—	163,824	1,549,134	1,200,000 24,000	12 a) 6 b)	325,134	2,716,538	12 a) 6 b)	1,012,538	a) ordinary shares; b) preference shares.
31. 12. 28	387,220	—	387,220	—	41,691	428,911	360,000	12	68,911	671,691	16	191,691	
30. 6. 28	813,412	250,241	563,171	—	101,251	664,422	440,000 1,224	11 a) 6 b)	223,198	757,505	12 1/2 a) 6 b)	256,281	a) ordinary shares; b) preference shares.
31. 12. 28	1,939,380	903,973	1,035,407	—	92,577	1,127,984	960,000	8	167,984	1,456,050	10	256,050	
31. 12. 28	146,899	149,265	—	2,366	8,680	6,314	—	0	6,314	369,160	6	27,160	
30. 9. 28	7,036,944	3,020,479	4,016,465	—	251,294	4,267,759	3,920,000	14	347,759	3,120,978	14	460,978	
31. 12. 28	886,706	449,496	437,210	—	92,173	529,383	379,050	10	150,333	470,803	10	92,173	
31. 12. 28	502,505	250,000	252,505	—	55,244	307,749	240,000	8	67,749	535,244	12	175,244	
31. 12. 28	1,526,542	751,788	774,754	—	11,227	785,981	750,000 6,000	5 a) 6 b)	29,981	963,808	6 a) 6 b)	45,808	a) ordinary shares; b) preference shares.
31. 12. 28	12,572,744	4,614,754	7,957,990	—	238,745	8,196,735	6,857,864	8	1,338,871	6,261,368	12	238,745	
31. 12. 28	— 1,216,503	1 069,123	—	2,285,626	— 599,480	— 2,885,106	—	0	— 2,885,106	— 599,480	0	— 599,480	
31. 12. 28	1,129,412	451,466	677,946	—	5,359	683,305	630,000 7,200	7 a) 6 b)	46,105	1,187,559	5 a) 6 b)	305,359	a) ordinary shares; b) preference shares.
31. 12. 28	671,060	432,554	238,506	—	46,608	285,114	—	0	285,114	579,695	7	86,895	
31. 12. 28	1,124,418	230,149	894,269	—	34,319	928,588	735,000 360	15 a) 6 b)	193,228	801,110	15 a) 6 b)	95,690	a) ordinary shares; b) preference shares.
31. 12. 28	— 1,290,307	302,522	—	1,592,829	142,829	— 1,450,000	—	0	— 1,450,000	142,829	0	142,829	
—	60,075,804 — 2,506,810	23,642,332	37,807,483	3,880,821	2,204,069 — 599,480	39,866,357 — 4,335,106	34,336,898	—	5,529,459 — 4,335,106	38,615,599 — 599,480	—	6,145,502 — 599,480	

Serial number	Concerns	Registered office	Nominal capital	Reserves ¹	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or 1928							
						Debenture capital	Annuity	Date of balance sheet	Operating profits ²	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed
21	Falkensteiner Gardinen Weberei und Bleicherei	Falkenstein i. V.	345,403,900 4,000,000	142,222,023 330,000	38,003,163 —	59,451,500 —	3,563,585 —	— 31. 12. 28	60,075,804 — 2,506,810 715,243	23,642,332 265,809	37,807,483 449,434	3,880,821 —	2,204,069 — 599,480 23,522	39,866,357 — 4,335,106 472,956	34,336,88 162,0 14,0 168,0
22	Spinnerei u. Weberei Pforsee	Augsburg	3,200,000	1,540,000	—	—	—	31. 12. 28	913,999	482,326	431,673	—	80,553	512,226	384,0
23	Hanseatische Jutespinnerei und Weberei	Delmenhorst	4,600,000	600,000	—	—	—	31. 12. 28	768,528	394,724	373,804	—	147,472	521,276	316,80
24	Carl Mez & Söhne A. G.	Freiburg i. Br.	6,000,000	768,903	33,615	—	—	31. 12. 28	— 146,113	177,800	—	323,913	133,257	— 190,656	—
25	Vereinigte Märkische Tuchfabriken A. G.	Berlin	3,600,000	589,921	352,101	—	—	31. 12. 28	377,917	164,055	213,862	—	38,340	252,202	175,00 7,00
			366,803,900	146,050,847	38,388,879	65,742,000	3,941,015	—	62,851,491 — 2,652,923	25,127,046	39,276,256	4,204,734	2,627,213 — 599,480	41,625,017 — 4,525,762	35,573,69
			366,803,900	146,050,847	38,388,879	65,742,000	3,941,015	—	60,198,568	25,127,046	39,276,256	4,204,734	2,027,733	37,099,255	35,573,69

¹ Statutory reserves and sums placed to reserve for various purposes.

² Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

³ Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

VIII. Miscellaneous Industries.

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Balance sheet results for 1927-28 or 1928						
						Debenture capital	Annuity	Date of balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net plus or minus brought forward
1	Thüringer Gasgesellschaft	Leipzig	30,820,000	8,782,000	1,113,380	—	—	31. 12. 28	4,789,210	1,700,000	3,089,210	—	77,858	3,16
2	Feldmühle Papier- und Zellstoffwerke A. G.	Scholwin bei Stettin	16,695,000	2,654,820	6,070,795	—	—	31. 12. 28	3,757,866	1,618,632	2,139,234	—	130,463	2,26
3	Varziner Papierfabrik A. G.	Hammermühle bei Varzin	5,000,000	500,000	237,204	—	—	31. 12. 28	1,275,084	501,275	773,809	—	31,073	80
4	Dresdner Chromo- u. Kunstdruck-Papierfabrik Krause & Baumann A. G.	Heidenau	7,000,000	700,000	—	—	—	31. 12. 28	1,338,414	771,820	566,594	—	47,846	61
5	Conrad Tack & Cie. A.-G.	Berlin u. Burg b. Magdeburg	5,300,000	800,000	1,537,850	—	—	31. 12. 28	1,030,216	441,035	589,181	—	96,615	68
6	Aktiengesellschaft der Gerresheimer Glashüttenwerke vorm. Ferd. Heye	Düsseldorf	9,800,000	163,580	1,260,000	—	—	31. 12. 28	1,606,504	330,720	1,275,784	—	115,464	1,39
7	Continental-Caoutchouc- und Gutta-Percha-Compagnie.	Hannover	34,100,000	5,200,000	20,197,238	—	—	31. 12. 28	5,315,847	2,634,724	2,681,123	—	392,599	3,07
8	J. Sigle & Cie., Schuhfabriken A. G.	Kornwestheim	14,000,000	3,500,000	—	—	—	31. 12. 28	4,147,555	1,037,216	3,110,339	—	511,832	3,62
9	Aktiengesellschaft für Zellstoff- und Papierfabrikation	Aschaffenburg	14,400,000	1,440,000	—	—	—	31. 12. 28	2,994,609	1,250,000	1,744,609	—	284,245	2,02
10	Harburger Gummiwaren-Fabrik Phönix A. G.	Harburg	7,205,000	2,000,000	643,034	—	—	31. 12. 28	1,187,259	930,338	256,921	—	43,731	300
11	Christoph & Unmack A. G.	Niesky O. L.	8,000,000	500,000	104,281	—	—	31. 10. 28	853,014	568,000	285,014	—	56,264	34
12	Stader Lederfabrik A. G.	Stade	3,600,000	360,000	—	—	—	31. 12. 28	294,291	65,323	228,968	—	58,386	287
13	Lederfabrik Hirschberg vorm. Heinrich Knoch & Co.	Hirschberg a. S.	8,000,000	1,200,000	—	—	—	31. 12. 28	814,168	404,605	409,563	—	263,037	672
14	Vereinigte Schuhfabriken Berneis-Wessels A. G.	Augsburg-Nürnberg	6,380,000	750,000	—	—	—	31. 12. 28	667,210	216,564	450,646	—	18,265	46
15	Stettiner Oelwerke A. G.	Züllichow i. Pomm.	5,400,000	540,000	—	—	—	31. 12. 28	678,784	218,282	460,502	—	9,345	46
16	Adler & Oppenheimer A. G.	Berlin	15,000,000	5,000,000	110,985	—	—	30. 6. 28	1,675,666	600,325	1,075,341	—	115,435	1,190
17	Carl Lindström A. G.	Berlin	7,000,000	1,000,000	—	—	—	31. 12. 28	2,431,220	796,864	1,634,356	—	221,429	1,853
18	Rheinische Spiegelglasfabrik	Eckamp bei Ratingen	6,000,000	900,000	—	—	—	31. 12. 28	1,107,390	329,266	778,124	—	108,419	886
19	Porzellanfabrik Ph. Rosenthal & Co. A. G.	Berlin	6,050,000	698,765	1,881	—	—	31. 12. 28	1,089,320	711,064	378,256	—	199,411	577
20	Deutsche Continental-Gas-Gesellschaft	Dessau	75,000,000	59,553,799	2,124,822	—	—	31. 12. 28	9,235,348	2,000,000	7,235,348	—	144,382	7,379
21	Aktiengesellschaft für Lederfabrikation	München	2,405,400	—	61,200	—	—	31. 12. 28	67,305	56,854	10,451	—	19,719	30
22	Asbest- und Gummiwerke Alfred Calmon A. G.	Hamburg	4,090,000	691,193	63,750	—	—	31. 12. 28	232,533	300,187	—	67,654	73,254	5
23	Költzter Ledertuch- und Wachstuch-Werke A. G.	Költz bei Coswig	4,720,000	1,216,780	54,327	—	—	31. 12. 28	1,105,297	334,359	770,938	—	58,511	829
24	Johann Faber A. G.	Nürnberg	4,026,000	235,000	82,306	—	—	31. 12. 28	600,171	109,954	490,217	—	123,748	613
25	Deutsche Linoleum-Werke A. G.	Berlin	40,000,000	7,200,000	20,045,000	—	—	31. 12. 28	5,036,525	2,820,949	2,215,576	—	408,232	2,623
26	Ammendorfer Papierfabrik	Ammendorf bei Halle a. S.	4,036,000	412,920	—	—	—	30. 6. 28	763,872	316,108	447,764	—	116,772	564
27	Aktiengesellschaft für Glasindustrie vorm. Friedr. Siemens	Dresden	10,200,000	1,494,427	360,000	—	—	31. 12. 28	1,669,802	651,762	1,018,040	—	26,199	1,044
28	Frankfurter Gasgesellschaft	Frankfurt a. M.	25,000,000	540,514	1,294,353	—	—	31. 12. 28	— 45,929	1,784,670	—	1,830,599	96,388	— 1,731
29	Matth. Hohner A. G.	Trossingen	6,000,000	1,839,995	2,700	—	—	31. 12. 28	997,526	392,876	604,650	—	137,501	742
			385,227,400	109,873,793	55,365,106	73,874,500	4,417,152	—	56,762,006 — 45,929	23,893,772	34,720,558	1,898,253	3,986,443	38,542 — 1,731

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

VIII. Miscellaneous Industries.

IV. VIII.

Balance sheet results for 1927-28 or 1928										Comparison with the business year 1926-27 or 1927			Observations
Date balance sheet	Operating profits (2)	Amortisation effected	Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward	Dividend distributed	Percentage	Balance in hand (3)	Net profit plus balance brought forward	Dividend distributed	Balance in hand (3)	
31. 12. 28	4,789,210	1,700,000	3,089,210	—	77,858	3,167,068	2,597,092	9 a)	568,176	2,796,520	9 a)	377,858	a) ordinary shares; b) preference shares.
31. 12. 28	3,757,866	1,618,632	2,139,234	—	130,463	2,269,697	1,800	9 b)		1,658,243	9 b)		a) ordinary shares; b) preference shares; c) bonus shares (Genussscheine).
31. 12. 28	1,275,084	501,275	773,809	—	31,073	804,882	11,700	12 a)	262,172	575,573	12 a)	83,573	a) ordinary shares; b) preference shares.
31. 12. 28	1,338,414	771,820	566,594	—	47,846	614,440	15,825	6 b)		601,580	6 b)		a) ordinary shares; b) preference shares.
31. 12. 28	1,030,216	441,035	589,181	—	96,615	685,795	480,000	10 a)	312,882	535,415	10 a)	164,615	a) ordinary shares; b) preference shares.
31. 12. 28	1,606,504	330,720	1,275,784	—	115,464	1,391,248	12,000	6 b)		986,797	6 b)		a) ordinary shares; b) preference shares.
31. 12. 28	5,315,847	2,634,724	2,681,123	—	392,599	3,073,722	506,456	8	601,648	2,657,599	8	283,597	a) ordinary shares; b) preference shares.
31. 12. 28	4,147,555	1,037,216	3,110,339	—	511,832	3,622,171	422,400	7 a)		3,721,832	7 a)		a) ordinary shares; b) preference shares.
31. 12. 28	2,994,609	1,250,000	1,744,609	—	284,245	2,028,854	1,200	5 b)	688,722	2,012,245	5 b)	607,599	a) ordinary shares; b) preference shares.
31. 12. 28	1,187,259	930,338	256,921	—	43,731	300,652	5,000	14		722,950	14		a) ordinary shares; b) preference shares.
31. 10. 28	853,014	568,000	285,014	—	56,264	341,278	—	12	300,352	356,264	12	722,650	a) ordinary shares; b) preference shares.
31. 12. 28	294,291	65,323	228,968	—	58,386	287,354	300	0 a)		384,786	0 a)		a) ordinary shares; b) preference shares.
31. 12. 28	814,168	404,605	409,563	—	263,037	672,600	216,000	6 b)	341,278	943,037	6 b)	463,037	a) ordinary shares; b) preference shares.
31. 12. 28	667,210	216,564	450,646	—	18,265	468,911	480,000	6		486,065	6		a) ordinary shares; b) preference shares.
31. 12. 28	678,784	218,282	460,502	—	9,345	469,847	382,800	6	37,847	405,835	6	27,835	a) ordinary shares; b) preference shares.
30. 6. 28	1,675,666	600,325	1,075,341	—	115,435	1,190,776	432,000	8		1,068,885	8		a) ordinary shares; b) preference shares.
31. 12. 28	2,431,220	796,864	1,634,356	—	221,429	1,855,785	900,000	6	290,776	1,473,664	6	423,664	a) ordinary shares; b) preference shares.
31. 12. 28	1,107,390	329,266	778,124	—	108,419	886,543	1,400,000	20		871,286	20		a) ordinary shares; b) preference shares.
31. 12. 28	1,089,320	711,064	378,256	—	199,411	577,667	720,000	12	243,542	566,350	12	229,411	a) ordinary shares; b) preference shares.
31. 12. 28	9,235,348	2,000,000	7,235,348	—	144,382	7,379,730	331,485	7 a)		6,487,626	7 a)		a) ordinary shares; b) preference shares.
31. 12. 28	67,305	56,854	10,451	—	19,719	30,170	2,640	6 b)	629,730	19,719	6 b)	487,626	a) ordinary shares; b) preference shares.
31. 12. 28	232,533	300,187	—	67,654	73,254	5,600	—	9		73,254	9		a) ordinary shares; b) preference shares.
31. 12. 28	1,105,297	334,359	770,938	—	58,511	829,449	6,750,000	0	5,600	73,254	0	73,254	a) ordinary shares; b) preference shares.
31. 12. 28	600,171	109,954	490,217	—	123,748	613,965	575,000	12 1/2 a)		673,195	12 1/2 a)		a) ordinary shares; b) preference shares.
31. 12. 28	5,036,525	2,820,949	2,215,576	—	408,252	2,623,828	16,200	13 1/2 b)	238,249	135,308	13 1/2 b)	133,748	a) ordinary shares; b) preference shares.
30. 6. 28	763,872	316,108	447,764	—	116,772	564,536	250,000	10 a)		4,435,702	10 a)		a) ordinary shares; b) preference shares.
31. 12. 28	1,669,802	651,762	1,018,040	—	26,199	1,044,239	1,560	6 b)	362,405	719,772	6 b)	116,772	a) ordinary shares; b) preference shares.
31. 12. 28	— 45,929	1,784,670	—	1,830,599	96,388	— 1,734,211	480,000	12 a)		1,006,677	12 a)		a) ordinary shares; b) preference shares.
31. 12. 28	997,526	392,876	604,650	—	137,501	742,151	3,000	8 1/2 b)	132,239	1,586,418	8 1/2 b)	236,418	a) ordinary shares; b) preference shares.
—	56,762,006	23,893,772	34,720,558	1,898,253	3,986,443	38,542,959	900,000	9 a)		669,501	9 a)		a) ordinary shares; b) preference shares.
—	— 45,929	—	—	—	—	— 1,734,211	12,000	6 b)	— 1,743,211	8,646,914	6 b)	8,458,651	a) ordinary shares; b) preference shares.
—	—	—	—	—	—	—	720,000	12		—	12		a) ordinary shares; b) preference shares.

Serial number	Concerns	Registered office	Nominal capital	Reserves (1)	Bonds and mortgages	Reparation charge		Date of balance sheet	Operating profits (2)	Amortisation effected	Balance sheet results for 1927-28 or 1928			
						Debenture capital	Annuity				Net profit on the business year	Loss on the business year	Brought forward from the preceding business year	Net profit plus balance brought forward
			385,227,400	109,873,793	55,365,106	73,874,500	4,417,152	—	56,762,006 — 45,929	23,893,772	34,720,558	1,898,253	3,986,443	38,542,958 — 1,731,211
30	Zeiss Ikon A.-G.	Dresden	15,000,000	2,960,000	4,119,996	—	—	30. 9. 28	2,191,558	1,126,495	1,065,063	—	54,570	1,119,633
31	Porzellanfabrik Lorenz Hutschenreuther A. G.	Selb/Bayern	9,076,000	907,600	253,617	—	—	30. 6. 28	1,068,055	332,716	735,339	—	55,474	790,813
32	Verein deutscher Oelfabriken	Mannheim	6,800,000	392,867	—	—	—	31. 12. 28	629,249	258,932	370,317	—	324,467	694,784
33	Eduard Lingel Schuhfabrik A. G.	Erfurt	3,840,000	392,695	354	—	—	30. 6. 28	— 297,054	87,229	—	384,283	5,368	— 378,915
34	Natronzellstoff- und Papierfabriken A. G.	Berlin	6,500,000	1,336,258	3,148,222	—	—	31. 12. 28	1,770,992	1,092,335	678,657	—	26,896	705,553
35	Deutsche Spiegelglas A. G.	Freden (Leine)	4,032,000	112,000	—	—	—	31. 12. 28	399,754	115,064	284,690	—	3,656	288,346
36	München-Dachauer Papierfabriken A. G.	München	3,010,000	301,000	2,707,819	—	—	31. 12. 28	616,873	367,955	248,918	—	40,872	289,790
37	Porzellanfabrik Kahla	Kahla i. Sa.	12,093,000	1,278,876	1,939,062	—	—	31. 12. 28	1,157,121	656,706	500,415	—	403,745	904,160
38	Georg A. Jasmatzi A. G.	Dresden	8,950,000	44,044	102,287	—	—	31. 12. 28	1,424,116	305,620	1,118,496	—	79,945	1,198,441
39	Berlin-Gubener Hutfabrik A. G. vormals A. Cohn	Guben	6,300,000	1,300,000	10,000	—	—	31. 12. 28	1,454,581	152,000	1,302,581	—	89,210	1,391,791
40	Polyphonwerke A. G.	Leipzig-Wahren	17,060,000	10,039,917	330,350	—	—	31. 12. 28	3,362,011	226,145	3,135,866	—	40,740	3,176,606
41	Vereinigte Lausitzer Glas Werke A. G.	Berlin und Weißwasser O. L.	9,000,000	177,307	233,467	—	—	31. 12. 28	185,599	149,964	35,635	—	15,565	51,200
42	Papierfabrik Reisholz A. G.	Düsseldorf	6,180,000	618,000	122,648	—	—	30. 6. 28	1,521,774	731,070	790,704	—	48,715	839,419
43	Reemtsma A. G.	Altona-Bahrenfeld	4,750,000	1,400,000	189,688	—	—	31. 12. 28	2,112,952	1,276,368	836,584	—	175,688	1,012,272
44	A. G. für Cartonnagenindustrie	Dresden	5,050,000	650,000	—	—	—	31. 12. 28	325,830	228,192	97,638	—	23,021	120,659
45	Deutsche Zündholzfabriken A. G.	Berlin	11,800,000	800,000	33,516	—	—	31. 12. 28	1,380,032	670,701	709,331	—	—	709,331
46	New-York Hamburger Gummi-Waaren Compagnie ...	Hamburg	5,000,000	850,000	118,050	—	—	31. 12. 28	886,157	290,335	595,822	—	28,628	624,450
47	Vereinigte Pinsel-Fabriken	Nürnberg	4,812,000	180,000	—	—	—	31. 12. 28	64,413	54,120	10,293	—	10,085	20,378
48	J. Brüning & Sohn A. G.	Potsdam	5,000,000	238,530	4,257,337	—	—	31. 12. 28	644,679	258,943	385,736	—	44,634	430,370
49	»Keramag« Keramische Werke A. G.	Bonn	6,000,000	922,617	184	—	—	31. 12. 28	1,338,820	362,268	976,552	—	203,113	1,179,665
50	Patentpapierfabrik zu Penig	Penig	3,600,000	500,000	—	—	—	30. 6. 28	587,093	300,000	287,093	—	40,960	328,053
			539,080,400	135,275,504	72,931,703	104,683,000	6,237,485	—	79,883,665 — 342,983	32,936,930	48,886,288	2,282,536	5,701,795	54,418,673 — 2,113,121
			539,080,400	135,275,504	72,931,703	104,683,000	6,237,485	—	79,540,682	32,936,930	48,886,288	2,282,536	5,701,795	52,305,541

(1) Statutory reserves and sums placed to reserve for various purposes.

(2) Profit realised by each concern after deduction of costs and charges of every kind, including the industrial charge.

(3) Directors' fees, sums intended for welfare and relief funds, placed to reserve or otherwise employed.

Annex V.

Indices of Industrial Activity.

- A. Monthly Statistics which served as a basis for the calculation of the simple Indices;
 - B. Coefficients of seasonal variations;
 - C. Simple Indices and general Index of industrial activity.
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A. Monthly Statistics which served as a basis for the calculation of the simple Indices.

V. A.

Month	Extraction of Coal	Extraction of Lignite	Sales of the Potash Syndicate	Output of Crude Pig-Iron	Output of Crude Steel	Output of Rolled Products	Net imports of Raw Copper	Net imports of Raw Cotton	Net imports of Raw Wool	Raw Leather		Net imports of Raw Rubber	Number of building licences issued
	in thousands of tons	in thousands of tons	in tons of pure potash	in tons	in tons	in tons	in tons	in tons	in tons	Hides of slaughtered animals (Beschläpftliche Schlachtungen)	Net imports of Raw Hides	in tons	
1924													
September	11,388	10,840	127,171	696,744	866,409	710,933	6,854	9,026	1,971	9,064	7,737	1,930	—
October	11,943	11,975	78,711	759,193	939,611	779,899	16,200	23,815	3,703	9,896	11,240	2,351	—
November	10,688	11,498	74,065	786,617	968,617	812,467	15,067	24,684	3,766	9,090	14,275	3,419	—
December	11,233	12,335	84,818	872,971	1,049,195	880,284	21,386	42,912	7,997	10,424	17,922	3,737	—
1925													
January	11,929	12,375	165,995	909,849	1,180,915	982,062	25,371	47,701	14,327	9,436	18,703	5,551	1,595
February	10,535	11,153	202,038	873,319	1,155,351	923,568	27,605	32,369	10,214	8,811	14,372	4,611	1,812
March	11,412	12,082	143,989	990,606	1,209,455	1,003,150	24,395	30,567	17,168	10,097	9,861	3,390	2,221
April	10,362	10,719	66,813	896,362	1,064,420	911,463	25,758	38,098	11,545	10,021	11,102	4,229	1,794
May	10,437	10,437	73,214	960,541	1,114,746	916,332	27,590	24,367	10,114	9,815	12,485	4,670	2,553
June	9,891	10,388	81,618	941,201	1,108,793	896,791	26,534	18,394	7,533	9,849	12,567	4,167	2,342
July	11,240	11,650	95,626	885,880	1,031,065	864,791	21,255	18,160	10,625	9,939	13,926	3,621	2,270
August	11,062	11,463	104,557	765,901	899,087	802,709	19,917	16,999	7,691	9,891	12,530	3,825	2,003
September	11,355	11,949	101,272	734,935	875,933	779,181	17,777	16,033	4,749	10,004	13,192	4,165	1,974
October	11,950	12,759	73,719	740,741	916,609	773,128	10,248	36,988	11,806	9,878	9,797	2,999	2,126
November	11,189	11,940	57,694	760,353	873,484	709,467	6,162	49,041	5,285	9,741	7,533	1,556	2,611
December	11,367	12,712	58,978	717,011	764,643	683,434	6,286	38,998	15,680	10,067	4,352	803	1,256
1926													
January	11,190	12,222	94,966	689,463	791,347	665,512	4,723	32,128	16,403	9,394	2,822	423	1,283
February	10,611	11,077	185,510	631,367	816,121	682,827	5,181	21,990	5,865	9,012	401	820	1,170
March	11,424	11,835	139,397	716,654	948,974	806,055	8,995	17,036	12,659	11,683	519 (1)	1,069	1,645
April	10,086	10,067	56,905	668,203	867,978	726,362	9,900	14,892	10,813	9,282	2,132	2,101	1,770
May	10,678	9,894	41,808	736,206	899,248	756,672	9,650	11,123	10,162	10,331	4,547	2,016	2,218
June	11,756	11,202	82,839	720,081	976,095	852,904	13,700	12,290	15,458	9,953	6,653	1,888	2,324
July	13,074	11,482	86,552	767,871	1,019,338	864,203	13,948	10,526	15,264	9,634	8,688	2,408	2,056
August	12,879	11,421	101,935	850,249	1,142,664	908,014	14,461	14,140	12,404	10,180	8,651	2,367	2,104
September	12,876	11,713	82,589	880,025	1,143,578	948,552	16,532	20,215	8,648	10,187	13,388	2,164	2,188
October	13,517	13,223	63,167	935,279	1,174,794	979,528	15,415	35,904	7,355	9,551	16,588	2,611	2,281
November	13,496	12,754	68,319	983,298	1,258,058	1,001,506	13,589	43,052	10,740	9,901	13,132	3,383	2,017
December	13,783	13,197	95,886	1,064,791	1,303,141	1,083,947	19,848	58,524	14,397	10,133	9,930	2,698	1,736
1927													
January	13,356	12,465	190,364	1,061,167	1,308,924	1,043,131	15,777	55,017	16,187	9,648	14,804	2,751	2,250
February	12,743	12,036	182,660	968,774	1,233,609	953,910	18,393	41,936	21,347	9,130	13,188	3,486	1,722
March	14,046	12,976	164,969	1,085,859	1,415,694	1,106,681	22,360	50,295	20,389	10,269	10,919	3,929	2,585
April	11,794	11,386	50,955	1,051,872	1,289,126	1,007,856	22,051	42,321	17,031	9,763	11,132	3,026	2,542
May	12,297	12,011	43,048	1,129,802	1,377,719	1,087,068	25,611	37,613	26,916	10,140	11,961	3,832	2,705
June	11,820	11,782	82,949	1,067,583	1,327,976	1,063,460	25,684	27,805	19,110	9,776	14,060	4,374	2,732
July	12,635	12,089	88,820	1,108,893	1,361,861	1,052,527	23,714	25,653	15,901	9,006	15,973	3,804	2,712
August	12,997	12,817	84,548	1,115,503	1,426,253	1,129,837	28,352	16,399	11,087	10,502	14,894	3,796	2,833
September	12,711	12,907	118,629	1,104,653	1,375,057	1,125,765	28,727	19,200	6,538	9,840	13,082	3,559	2,125
October	13,094	12,529	63,727	1,139,357	1,414,410	1,094,153	25,301	33,406	5,905	9,798	13,730	4,993	2,324
November	12,864	13,430	68,353	1,119,385	1,401,938	1,083,828	18,927	46,923	10,153	10,174	13,939	4,752	1,984
December	13,238	14,132	100,476	1,149,680	1,371,518	1,085,244	23,876	50,208	11,544	9,463	13,845	3,765	1,984
1928													
January	13,421	14,222	202,006	1,180,576	1,470,936	1,098,882	24,779	33,395	17,240	9,785	16,040	3,250	1,565
February	12,926	13,419	208,446	1,122,384	1,323,499	1,044,389	23,771	34,468	23,490	9,491	13,645	3,968	1,705
March	14,118	14,401	161,464	1,170,476	1,422,050	1,150,554	27,186	25,615	20,615	10,283	9,630	4,750	2,328
April	11,715	12,263	67,415	1,047,548	1,160,955	919,509	23,940	26,287	21,433	9,912	8,988	3,652	2,142
May	11,932	12,964	63,747	1,044,046	1,250,256	987,441	21,009	25,678	18,436	10,981	7,671	3,262	2,683
June	11,833	13,241	99,950	1,021,350	1,296,602	1,071,760	21,714	26,007	15,527	9,838	8,622	3,479	2,938
July	12,483	13,531	102,608	1,035,594	1,315,035	1,025,953	23,966	19,311	7,476	10,381	8,603	3,776	2,660
August	13,021	14,330	108,700	1,030,997	1,331,715	1,066,373	25,075	14,871	6,767	11,343	8,747	3,182	2,847
September	12,157	13,616	140,818	985,413	1,190,345	942,688	18,375	12,227	4,595	10,562	10,679	3,712	2,458
October	13,311	15,226	76,507	1,015,517	1,306,652	1,025,797	18,822	30,013	7,828	12,040	9,459	4,686	2,469
November	12,141	14,548	82,460	267,470	358,440	365,631	14,377	46,885	5,106	11,238	7,606	3,884	2,427
December	11,819	14,105	107,150	882,959	1,090,618	862,713	17,131	40,746	10,592	11,491	6,000	2,541	2,108
1929													
January	12,401	14,822	164,726	1,098,280	1,469,510	1,100,959	17,676	50,823	16,806	11,574	8,625	5,058	1,829

December	11,236	12,375	165,995	909,849	1,180,915	982,062	25,371	47,701	14,327	9,436	18,703	5,551	1,595
1925													
January	11,929	12,375	165,995	909,849	1,180,915	982,062	25,371	47,701	14,327	9,436	18,703	5,551	1,595
February	10,535	11,153	202,038	873,319	1,155,351	923,568	27,605	32,369	10,214	8,811	14,372	4,611	1,812
March	11,412	12,082	143,989	990,606	1,209,455	1,003,150	24,395	30,567	17,168	10,097	9,861	3,390	2,221
April	10,362	10,719	66,813	896,362	1,061,420	911,463	25,758	38,098	11,545	10,021	11,102	4,229	1,794
May	10,437	10,437	73,214	960,541	1,114,746	916,332	27,590	24,367	10,114	9,815	12,485	4,670	2,553
June	9,891	10,388	81,618	941,201	1,108,793	896,791	26,534	18,394	7,533	9,849	12,567	4,167	2,342
July	11,240	11,650	95,626	885,880	1,031,065	864,791	21,255	18,160	10,625	9,939	13,926	3,621	2,270
August	11,062	11,463	104,557	765,901	899,087	802,700	19,917	16,999	7,691	9,891	12,530	3,825	2,003
September	11,355	11,949	101,272	734,935	875,933	779,181	17,777	16,033	4,749	10,004	13,192	4,165	1,974
October	11,950	12,759	73,719	740,741	916,609	773,128	10,248	36,988	11,806	9,878	9,797	2,999	2,126
November	11,189	11,940	57,694	760,353	873,484	709,467	6,162	49,041	5,285	9,741	7,533	1,556	2,611
December	11,367	12,712	58,978	717,011	764,643	683,434	6,286	38,998	15,680	10,067	4,352	803	1,256
1926													
January	11,190	12,222	94,966	689,463	791,347	665,512	4,723	32,128	16,403	9,394	2,822	423	1,283
February	10,611	11,077	185,510	631,367	816,121	682,827	5,181	21,990	5,865	9,012	401	820	1,170
March	11,424	11,835	139,397	716,654	948,974	806,055	8,995	17,036	12,659	11,683	579 (1)	1,069	1,645
April	10,086	10,067	56,905	668,203	867,978	726,362	9,900	14,892	10,813	9,282	2,132	2,101	1,770
May	10,678	9,894	41,808	736,206	899,248	756,672	9,650	11,123	10,162	10,331	4,547	2,016	2,218
June	11,756	11,202	82,839	720,081	976,095	852,904	13,700	12,290	15,458	9,953	6,653	1,888	2,324
July	13,074	11,482	86,552	767,871	1,019,338	864,203	13,948	10,526	15,264	9,634	8,688	2,408	2,056
August	12,879	11,421	101,935	850,249	1,142,664	908,014	14,461	14,140	12,404	10,180	8,651	2,367	2,104
September	12,876	11,713	82,589	880,025	1,143,578	948,552	16,532	20,215	8,648	10,187	13,388	2,164	2,188
October	13,517	13,223	63,167	935,279	1,174,794	979,528	15,415	35,904	7,355	9,551	16,588	2,611	2,281
November	13,496	12,754	68,319	983,298	1,258,058	1,001,506	13,589	43,052	10,740	9,901	13,132	3,383	2,017
December	13,783	13,197	95,886	1,064,791	1,303,141	1,083,947	19,848	58,524	14,397	10,133	9,930	2,698	1,736
1927													
January	13,356	12,465	190,364	1,061,167	1,308,924	1,043,131	15,777	55,017	16,187	9,648	14,804	2,751	2,250
February	12,743	12,036	182,660	963,774	1,233,609	953,910	18,393	41,936	21,347	9,130	13,188	3,486	1,722
March	14,046	12,976	164,969	1,085,859	1,415,694	1,106,681	22,360	50,295	20,389	10,269	10,919	3,929	2,585
April	11,794	11,386	50,955	1,051,872	1,289,126	1,007,856	22,051	42,321	17,031	9,763	11,132	3,026	2,542
May	12,297	12,011	43,048	1,129,802	1,377,719	1,087,068	25,611	37,613	26,916	10,140	11,961	3,832	2,705
June	11,820	11,782	82,949	1,067,583	1,327,976	1,063,460	25,684	27,805	19,110	9,776	14,060	4,374	2,732
July	12,635	12,089	88,820	1,108,893	1,361,861	1,052,527	23,714	25,653	15,901	9,006	15,973	3,904	2,712
August	12,997	12,817	84,548	1,115,503	1,426,253	1,129,837	28,352	16,399	11,087	10,502	14,894	3,796	2,833
September	12,711	12,907	118,629	1,104,653	1,375,057	1,125,765	28,727	19,200	6,538	9,840	13,082	3,559	2,125
October	13,094	12,529	63,727	1,139,357	1,414,410	1,094,153	25,301	33,406	5,905	9,798	13,730	4,993	2,324
November	12,864	13,430	68,353	1,119,385	1,401,938	1,083,828	18,927	46,923	10,153	10,174	13,939	4,752	1,984
December	13,238	14,132	100,476	1,149,680	1,371,518	1,085,244	23,876	50,208	11,544	9,463	13,845	3,765	1,984
1928													
January	13,421	14,222	202,006	1,180,576	1,470,936	1,098,882	24,779	33,395	17,240	9,785	16,040	3,250	1,565
February	12,926	13,419	208,446	1,122,384	1,323,499	1,044,389	23,771	34,468	23,490	9,491	13,645	3,968	1,705
March	14,118	14,401	161,464	1,170,476	1,422,050	1,150,554	27,186	25,615	20,615	10,283	9,630	4,750	2,328
April	11,715	12,263	67,415	1,047,548	1,160,955	919,509	23,940	26,287	21,433	9,912	8,988	3,652	2,142
May	11,932	12,964	63,747	1,014,046	1,250,236	987,441	21,009	25,678	18,436	10,981	7,671	3,262	2,683
June	11,833	13,241	99,950	1,021,350	1,296,602	1,071,760	21,714	26,007	15,527	9,838	8,622	3,479	2,938
July	12,483	13,531	102,608	1,035,594	1,315,035	1,025,953	23,966	19,311	7,476	10,381	8,603	3,776	2,660
August	13,021	14,330	108,700	1,030,997	1,331,715	1,066,373	25,075	14,871	6,767	11,343	8,747	3,182	2,847
September	12,157	13,616	140,818	985,413	1,190,345	942,688	18,375	12,227	4,595	10,562	10,679	3,712	2,458
October	13,311	15,224	76,507	1,015,517	1,306,652	1,025,797	18,822	30,013	7,828	12,040	9,459	4,686	2,469
November	12,141	14,548	82,460	1,015,517	1,306,652	1,025,797	14,377	36,631	5,106	11,238	7,606	3,884	2,427
December	11,819	14,105	107,150	882,950	1,090,618	862,713	17,131	40,746	10,592	11,491	6,000	2,541	2,108
1929													
January	13,491	14,823	164,736	1,098,380	1,469,510	1,100,959	17,676	50,833	16,806	11,574	8,625	5,058	1,829
February	12,104	13,689	144,676	981,695	1,269,663	934,793	13,421	27,072	19,199	10,147	4,642	4,604	1,714
March	13,502	14,727	232,884	1,061,247	1,316,335	1,013,243	21,873	24,908	19,141	11,743	3,928	4,670	1,879
April	13,407	14,226	112,535	1,112,098	1,416,181	1,104,297	26,871	28,851	23,626	11,483	3,862	5,504	2,784
May	12,759	13,669	77,326	1,150,986	1,421,208	1,067,762	20,691	19,618	18,027	11,759	4,377	3,703	3,641
June	13,221	13,763	97,723	1,164,358	1,430,656	1,092,677	24,138	15,680	14,799	10,525	5,181	4,163	3,091
July	14,362	14,885	89,190	1,243,510	1,465,378	1,133,738	17,538	14,988	11,476	11,945	8,183	3,568	3,531
August	14,467	15,136	95,372	1,167,809	1,401,708	1,095,638	17,789	15,066	9,330	11,532	8,137	4,485	3,366

(1) Surplus of exports over imports

C. Simple Indices and general Index of industrial activity.

V. C.

Month	Extraction of Coal	Extraction of Lignite	Extraction of Potash	Output of Crude Pig-iron	Output of Crude Steel	Output of Rolled Products	Consumption of Raw Copper	Consumption of Raw Cotton	Consumption of Raw Wool	Consumption of Raw Hides	Consumption of Raw Rubber	Building licences issued	General Index of industrial activity	
													according to workers employed	according to motive power
1924														
September	92.3	90.3	145.8	80.3	82.7	81.7	41.2	60.9	55.9	85.5	62.6	—	74.4	82.7
October	94.5	95.2	122.7	84.1	85.7	89.1	51.6	56.4	29.2	85.8	59.9	—	74.1	85.0
November	89.2	95.8	105.5	89.7	91.5	93.8	73.0	62.8	26.2	94.7	72.8	—	78.3	87.0
December	93.2	99.9	105.7	95.8	96.1	98.1	99.2	80.5	37.3	112.6	95.1	—	89.2	93.5
1925														
January	101.5	103.1	107.5	102.8	106.6	106.8	129.0	101.3	64.1	126.9	130.7	91.7	101.7	103.9
February	94.4	100.9	98.3	108.4	109.1	105.6	145.3	105.9	78.3	129.4	166.2	107.6	107.7	104.3
March	96.1	100.7	93.3	112.0	106.1	106.0	151.1	113.6	107.4	125.1	170.7	108.4	111.7	105.9
April	96.9	93.0	90.0	107.7	103.2	104.7	150.9	117.6	115.3	116.3	169.4	103.6	110.7	104.8
May	94.5	92.4	121.7	107.5	104.2	102.6	146.2	109.4	106.2	108.7	154.7	106.3	107.7	103.1
June	86.3	94.0	110.0	108.5	98.2	97.5	142.6	103.0	100.4	107.8	137.5	99.4	102.0	97.3
July	89.4	100.0	116.3	98.2	91.3	95.0	143.2	95.6	86.2	112.7	135.6	98.5	99.4	95.5
August	90.9	97.5	108.6	86.6	84.0	92.2	140.1	84.6	77.9	114.3	131.3	96.7	95.7	92.1
September	92.0	99.6	116.1	84.7	83.6	89.5	131.3	79.7	66.3	115.4	127.2	92.4	91.9	90.7
October	94.6	101.4	114.9	82.1	83.6	88.4	108.9	94.3	75.5	112.0	113.2	90.1	92.7	91.5
November	93.3	99.5	82.2	86.8	82.5	81.9	86.0	113.5	64.0	103.7	96.6	95.1	91.3	89.1
December	94.4	102.9	73.5	78.7	70.0	76.2	65.0	118.0	81.3	93.7	73.3	93.9	89.2	85.3
1926														
January	95.2	101.9	61.5	77.9	71.4	72.4	45.8	120.6	105.9	79.9	45.8	91.1	87.9	84.4
February	95.1	100.2	90.2	78.3	77.1	78.0	37.1	104.1	92.9	67.0	34.7	89.2	84.1	85.0
March	96.2	98.6	90.3	81.0	83.2	85.2	38.1	80.0	108.4	59.3	31.1	78.4	81.5	86.4
April	94.4	87.3	76.7	80.3	84.1	83.4	41.1	67.2	97.5	55.5	40.8	81.1	78.4	83.8
May	96.7	87.6	69.5	82.3	84.1	84.8	46.0	56.7	84.2	58.9	52.3	84.8	77.8	84.0
June	102.6	101.3	111.6	83.0	86.4	92.8	58.2	52.0	104.7	67.9	58.6	88.8	84.5	90.5
July	103.9	98.6	105.3	85.1	90.2	94.9	68.3	48.4	110.2	76.9	68.7	92.3	87.3	92.5
August	105.9	97.1	105.9	96.1	106.8	104.3	77.8	53.3	113.6	86.2	70.3	91.9	92.8	99.6
September	104.3	97.6	94.7	101.5	109.1	109.0	90.2	66.0	110.4	95.9	71.3	93.2	97.1	102.1
October	107.0	105.1	98.4	103.7	107.1	112.0	95.2	86.1	93.1	107.9	73.5	92.7	100.5	104.9
November	112.6	106.3	97.3	112.2	118.8	115.5	97.8	109.0	83.5	113.8	83.2	93.2	105.4	111.2
December	114.4	106.9	119.5	116.9	119.4	120.8	107.2	129.6	87.7	114.3	90.5	98.7	112.1	115.7
1927														
January	113.7	103.9	123.3	119.9	118.2	113.4	107.3	142.3	103.8	117.7	99.1	107.5	115.7	115.3
February	114.2	108.9	88.8	120.2	116.5	109.0	110.7	141.9	133.6	112.9	120.3	113.5	118.4	115.2
March	118.3	108.2	106.8	122.7	124.2	116.9	116.4	152.7	154.2	110.6	127.8	120.6	126.3	121.9
April	110.3	98.8	68.7	126.4	125.0	115.8	113.7	150.1	159.8	111.6	126.6	125.6	126.3	118.8
May	111.3	106.4	71.5	126.4	128.8	121.8	121.7	149.6	182.7	108.6	130.8	120.3	129.3	122.4
June	103.2	106.6	111.8	123.1	117.6	115.6	131.0	147.3	177.9	110.6	127.9	119.1	126.5	117.1
July	100.5	103.8	108.0	122.9	120.6	115.6	138.5	130.5	168.4	115.3	122.4	118.8	123.6	115.4
August	106.8	109.0	87.8	126.0	133.3	129.8	153.5	115.3	155.7	121.0	128.0	116.2	125.9	122.1
September	103.1	108.5	136.9	127.4	130.8	128.8	163.7	101.8	112.2	122.0	128.0	109.6	118.6	118.8
October	103.6	99.4	100.2	126.4	128.9	127.2	167.1	102.2	81.2	121.6	125.8	105.4	114.2	116.0
November	107.3	111.8	98.2	127.8	132.3	126.8	163.9	111.3	69.4	120.5	135.9	98.2	113.1	118.2
December	109.0	114.3	126.4	126.2	125.7	120.9	158.1	123.8	70.3	117.9	142.0	100.0	113.4	117.2
1928														
January	114.3	118.5	132.0	133.5	133.1	119.3	154.1	123.6	91.1	121.6	142.4	101.8	116.1	120.8
February	115.9	121.2	102.3	139.4	124.9	119.3	149.6	121.0	124.6	121.1	152.7	107.0	117.9	120.7
March	119.0	119.9	105.5	132.4	124.7	121.5	152.1	106.3	144.1	115.8	156.0	111.5	121.0	121.7
April	109.6	106.3	91.7	125.9	112.5	105.6	145.4	95.7	162.2	110.3	149.6	107.1	111.7	111.1
May	108.1	114.6	106.9	116.9	116.8	110.4	133.2	98.1	164.4	101.3	144.9	111.6	115.3	113.1
June	103.3	119.6	135.8	117.9	114.6	116.4	128.5	98.4	149.9	95.5	129.3	112.8	114.6	112.9
July	99.2	116.1	125.9	114.8	116.1	112.6	129.6	93.6	126.0	94.2	115.8	114.9	110.6	109.6
August	107.1	121.7	114.0	116.7	124.3	122.0	137.0	89.9	99.3	95.7	111.0	117.7	112.3	115.0
September	98.6	114.5	162.8	113.8	113.7	108.1	137.6	79.7	74.1	99.0	114.2	117.2	104.0	106.0
October	105.4	120.9	120.3	112.6	119.1	117.3	136.3	78.9	60.1	102.8	117.4	112.4	105.0	110.4
November	101.4	121.2	118.6	112.2	112.2	112.2	124.2	98.3	55.8	102.6	120.0	110.8	82.9	73.4
December	101.4	121.2	118.6	112.2	112.2	112.2	124.2	98.3	55.8	102.6	120.0	110.8	82.9	73.4

1925														
January.....	101.5	103.1	107.5	102.8	106.6	106.8	129.0	101.3	64.1	126.9	130.7	91.7	101.7	103.9
February.....	94.4	100.9	98.3	108.4	109.1	105.6	145.3	105.9	78.3	129.4	166.2	107.6	107.7	104.3
March.....	96.1	100.7	93.3	112.0	106.1	106.0	151.1	113.6	107.4	125.1	170.7	108.4	111.7	105.9
April.....	96.9	93.0	90.0	107.7	103.2	104.7	150.9	117.6	115.3	116.3	169.4	103.6	110.7	104.8
May.....	94.5	92.4	121.7	107.5	104.2	102.6	146.2	109.4	106.2	108.7	154.7	106.3	107.7	103.1
June.....	86.3	94.0	110.0	108.5	98.2	97.5	142.6	103.0	100.4	107.8	137.5	99.4	102.0	97.3
July.....	89.4	100.0	116.3	98.2	91.3	95.0	143.2	95.6	86.2	112.7	135.6	98.5	99.4	95.5
August.....	90.9	97.5	108.6	86.6	84.0	92.2	140.1	84.6	77.9	114.3	131.3	96.7	95.7	92.1
September.....	92.0	99.6	116.1	84.7	83.6	89.5	131.3	79.7	66.3	115.4	127.2	92.4	91.9	90.7
October.....	94.6	101.4	114.9	82.1	83.6	88.4	108.9	94.3	75.5	112.0	113.2	90.1	92.7	91.5
November.....	93.3	99.5	82.2	86.8	82.5	81.9	86.0	113.5	64.0	103.7	96.6	95.1	91.3	89.1
December.....	94.4	102.9	73.5	78.7	70.0	76.2	65.0	118.0	81.3	93.7	73.3	93.9	89.2	85.3
1926														
January.....	95.2	101.9	61.5	77.9	71.4	72.4	45.8	120.6	105.9	79.9	45.8	91.1	87.9	84.4
February.....	95.1	100.2	90.2	78.3	77.1	78.0	37.1	104.1	92.9	67.0	34.7	89.2	84.1	85.0
March.....	96.2	98.6	90.3	81.0	83.2	85.2	38.1	80.0	108.4	59.3	31.1	78.4	81.5	86.4
April.....	94.4	87.3	76.7	80.3	84.1	83.4	41.1	67.2	97.5	55.5	40.8	81.1	78.4	83.8
May.....	96.7	87.6	69.5	82.3	84.1	84.8	46.0	56.7	84.2	58.9	52.3	84.8	77.8	84.0
June.....	102.6	101.3	111.6	83.0	86.4	92.8	58.2	52.0	104.7	67.9	58.6	88.8	84.5	90.5
July.....	103.9	98.6	105.3	85.1	90.2	94.9	68.3	48.4	110.2	76.9	68.7	92.3	87.3	92.5
August.....	105.9	97.1	105.9	96.1	106.8	104.3	77.8	53.3	113.6	86.2	70.3	91.9	92.8	99.6
September.....	104.3	97.6	94.7	101.5	109.1	109.0	90.2	66.0	110.4	95.9	71.3	93.2	97.1	102.1
October.....	107.0	105.1	98.4	103.7	107.1	112.0	95.2	86.1	93.1	107.9	73.5	92.7	100.5	104.9
November.....	112.6	106.3	97.3	112.2	115.5	118.8	97.8	109.0	83.5	113.8	83.2	93.2	105.4	111.2
December.....	114.4	106.9	119.5	116.9	119.4	120.8	107.2	129.6	87.7	114.3	90.5	98.7	112.1	115.7
1927														
January.....	113.7	103.9	123.3	119.9	118.2	113.4	107.3	142.3	103.8	117.7	99.1	107.5	115.7	115.3
February.....	114.2	108.9	88.8	120.2	116.5	109.0	110.7	141.9	133.6	112.9	120.3	113.5	118.4	115.2
March.....	118.3	108.2	106.8	122.7	124.2	116.4	110.6	152.7	154.2	110.6	127.8	120.6	126.3	121.9
April.....	110.3	98.8	68.7	126.4	125.0	115.8	113.7	150.1	159.8	111.6	126.6	125.6	126.3	118.8
May.....	111.3	106.4	71.5	126.4	128.8	121.8	121.7	149.6	182.7	108.6	130.8	120.3	129.3	122.4
June.....	103.2	106.6	111.8	123.1	117.6	115.6	131.0	147.3	177.9	110.6	127.9	119.1	126.5	117.1
July.....	100.5	103.8	108.0	122.9	120.6	115.6	138.5	130.5	168.4	115.3	122.4	118.8	123.6	115.4
August.....	106.8	109.0	87.8	126.0	133.3	129.8	153.5	115.3	155.7	121.0	128.0	125.9	116.2	122.1
September.....	103.1	108.5	136.9	127.4	130.8	128.8	163.7	101.8	112.2	122.0	128.0	109.6	118.6	118.8
October.....	103.6	99.4	100.2	126.4	128.9	127.2	167.1	102.2	81.2	121.6	125.8	105.4	114.2	116.0
November.....	107.3	111.8	98.2	127.8	132.3	126.8	163.9	111.3	69.4	120.5	135.9	98.2	113.1	118.2
December.....	109.0	114.3	126.4	126.2	125.7	120.9	158.1	123.8	70.3	117.9	142.0	100.0	113.4	117.2
1928														
January.....	114.3	118.5	132.0	133.5	133.1	119.3	154.1	123.6	91.1	121.6	142.4	101.8	116.1	120.8
February.....	115.9	121.2	102.3	139.4	124.9	119.3	149.6	121.0	124.6	121.1	152.7	107.0	117.9	120.7
March.....	119.0	119.9	105.5	132.4	124.7	121.5	152.1	106.3	144.1	115.8	156.0	111.5	121.0	121.7
April.....	109.6	106.3	91.7	125.9	112.5	105.6	145.4	95.7	162.2	110.3	149.6	107.1	113.7	111.1
May.....	108.1	114.6	106.9	116.9	116.8	110.4	133.2	98.1	164.4	101.3	144.9	111.6	115.3	113.1
June.....	103.3	119.6	135.8	117.9	114.6	116.4	128.5	98.4	149.9	95.5	129.3	112.8	114.6	112.9
July.....	99.2	116.1	125.9	114.8	116.1	112.6	129.6	93.6	126.0	94.2	115.8	114.9	110.6	109.6
August.....	107.1	121.7	114.0	116.7	124.3	122.0	137.0	89.9	99.3	95.7	111.0	117.7	112.3	115.0
September.....	98.6	114.5	162.8	113.8	113.7	108.1	137.6	79.7	74.1	99.0	114.2	117.2	104.0	106.0
October.....	105.4	120.9	120.3	112.6	119.1	117.3	136.3	78.9	60.1	102.8	117.4	105.0	112.4	110.4
November.....	101.4	121.2	118.6	30.5	33.8	42.3	124.2	98.3	55.8	102.6	120.0	110.8	82.9	73.4
December.....	98.2	114.1	134.8	97.0	100.0	96.1	112.7	106.5	62.8	99.3	119.1	114.4	100.9	100.2
1929														
January.....	114.9	123.3	107.7	124.3	132.7	120.0	113.0	125.7	85.0	98.1	136.9	114.3	114.7	119.7
February.....	108.6	123.8	71.0	121.9	119.9	107.2	103.1	120.0	105.7	89.6	156.4	118.1	111.2	112.1
March.....	113.8	122.7	152.1	120.0	115.5	107.5	106.6	104.7	131.2	85.7	166.6	112.2	110.8	113.4
April.....	125.5	123.3	153.0	133.7	137.2	126.8	114.7	102.4	154.9	82.9	187.8	114.3	120.4	126.8
May.....	115.6	121.0	129.7	128.8	132.9	119.6	113.4	87.7	157.2	77.8	170.2	124.4	117.2	120.2
June.....	115.5	124.4	132.8	134.3	126.6	118.6	128.2	82.6	149.2	78.9	153.1	127.0	116.6	118.9
July.....	114.2	127.7	109.4	133.4	126.3	124.5	126.3	76.9	135.2	84.6	138.5	144.2	120.1	120.4
August.....	118.9	128.5	100.0	132.1	131.1	125.3	118.3	71.2	109.2	90.0	128.9	144.2	117.2	120.5

Annex VI.

Number and utilisation of the
Blast Furnaces.

(September 1, 1924 — August 31, 1929)

Annex VII.

Annual Production and net Imports into Germany for the Years 1913 and 1924-1929.

Year	Extraction of coal		Extraction of lignite		Sales of the Potash Syndicate		Output of crude pig-iron		Output of crude steel		Output of rolled products		Net imports of raw cotton		Net imports of raw wool		Consumption of raw leather		Net imports of raw rubber		Number of building licenses issued ⁷
	In thou- sands of tons	In % of 1913	In thou- sands of tons	In % of 1913	In tons of K ₂ O	In % of 1913	In thou- sands of tons	In % of 1913	In thou- sands of tons	In % of 1913	In thou- sands of tons	In % of 1913	In tons	In tons	In tons	In tons	In tons	In tons	In tons		
1913 ¹	140,753	100.0	87,233	100.0	1,110,320	100.0	10,946	100.0	12,177	100.0	10,940	100.0	218,200	439,100	206,200	207,838					
1924	118,769	84.4	124,637	142.9	843,800	76.0	7,833	71.7	9,703	79.7	8,175	75.0	118,687	332,900	136,563	248,987	24,899				
1925	132,622	94.3	139,725	160.2	1,225,400	110.4	10,089	92.4	12,051	99.0	10,246	94.0	238,898	367,715	126,737	257,909	43,587	24,557			
1926	145,296	103.2	139,151	159.5	1,099,820	99.0	9,636	88.3	12,226	100.4	10,276	94.2	145,942	291,820	140,168	205,654	23,948	22,792			
1927	153,599	109.1	150,504	172.9	1,239,520	111.6	13,103	120.0	16,267	133.6	12,864	118.0	278,773	446,776	182,108	279,036	45,067	28,498			
1928	150,876	107.2	166,260	190.6	1,424,233	128.3	11,804	108.1	14,517	119.2	11,563	105.7	260,145	335,533	159,105	243,035	44,142	28,330			
1929 (first 8 months)	107,313	—	114,918	—	1,014,442	—	8,940	—	11,190	—	8,538	—	159,997	197,016	132,404	137,643	35,755	21,835			

¹ In the present territory of the Reich.² From 1924 onwards net imports of copper and alloys.³ Average consumption 1909-1913.⁴ Average consumption 1909-1913.⁵ Quantity of hides treated in 1910.⁶ There are no statistics with regard to the consumption in 1913. To give some indication of the position, it may be said that the world production rose from 124,000 tons in 1913 to 560,000 tons in 1928.⁷ These figures apply to 28 cities of over 100,000 inhabitants.